ARTICLES OF ASSOCIATION
OF
KERALA AUTOMOBILES LIMITED

Preliminary:

The regulations contained in "Table A" in the first schedule to the Act shall not apply to the Company.

Definitions:

1. In these articles, unless the context otherwise requires:

Definitions

i) "The Company" means KERALA AUTOMOBILES LIMITED.

ii) "The Act" means The companies Act, 1956 (Central Act 1 of 1956);

iii) "The Office" means the Registered Office of the Company for the time being;

iv) "Government" means the Government of Kerala;

v) "The Register" means the Register of Members to be kept pursuant to Section 150 of the Act;

vi) "Dividend" includes bonus;

vii) "Capital" means the capital for the time being raised or authorised to be raised for the purposes of the Company;

viii) "Shares" means the shares or stock into which the capital is divided and the interest corresponding with such shares or stock;

ix) "Board" means Board of Directors;

x) "The Directors" means the Directors for the time being of the Company;

xi) "Person" includes any Company or association or body of individuals whether incorporated or not;

xii) "Financial Year" means the period in respect of which any profit and Loss Account of the Body corporate laid before it in Annual General Body Meeting is made up whether that period is a year or not;

xiii) "Month" means the English Calendar month;

xiv) "In writing" and "written" include printing lithography and other modes representing or reproducing words in a visible form;

xv) "Executor" or "Administrator" means a person who has obtained probate or letters of administration as the case may be from a competent Court;

xvi) "Regulations of the Company" means the regulations for the time being in force for the management of the Company;

xvii) "Seal" means the Common Seal for the time being of the company;

xviii) "The Chairman" means the Chairman of the Board of Directors for the time being of the Company. Unless the context therein otherwise requires the words or expression contained in these Articles shall bear the same meaning as in the Act. Words importing the singular number include the plural number and vice versa. Words importing the masculine gender also include the feminine gender.

xix) "The Governor" means the Governor of Kerala and includes the Government of Kerala.

The Company is a Private Company and accordingly:

Company to be Private Company

2. The number of members for the time being of the Company shall not exceed fifty excluding:-
   a) Restricts the right to transfer its shares, if any.
   b) Limits the number of members to fifty not including:-
      i) Persons who are in the employment of the company: and
      ii) Persons who, having been formerly in the employment of the company, were members of the Company while in that employment and have continued to be members after the employment ceased, and
   c) Prohibits any invitation to the public to subscribe for any shares, or debentures of the company;.
   d) Prohibits any invitation or acceptance of deposits from persons other than its members, directors or their relatives.

Government Company

3. The Company shall be a Government Company within the meaning of Section 617 of the Act.

Company to be Governed by these regulations

4. The regulations for the management of the Company and for the observance of the members there of and their representatives shall subject to any exercise of the statutory powers of the Company in reference to the repeal or alteration of or addition to its regulations by special resolution as prescribed or permitted by the Act be such as are contained in these Articles.

Share Capital

Capital

5. The Authorised Share Capital of the Company shall be Rs. 20,00,00,000/- (Rupees Twenty Crores only) divided into 18,00,000 (Eighteen Lakhs) Equity Shares of Rs.100/- (Rupees Hundred only) each and 2,00,000(Two Lakhs) Preference Shares of Rs.100/- (Rupees Hundred only) each with rights, privileges and conditions attached thereto and with powers to increase or reduce the capital of the Company in accordance with the provisions in the Companies Act, 1956 .

Company's shares not to be purchased

6. No part of the funds of the Company shall be employed in the purchase of or in loans upon the security of the Company's shares.

Allotment of shares

7. Subject to the provisions of the Act and in these Articles and to the rights of the Government, the shares shall be under the control of the Board of Directors, who may allot or otherwise dispose of the same to such persons on such terms and conditions as they think fit.

Variation of rights

8. Subject to the provisions, if any in that behalf of the Memorandum of Association of the Company and with our prejudice to any special rights previously conferred on the holders of existing shares in the Company, any share in the Company may be issued with such preferred, or other special rights, or such restrictions, whether in regard to dividend, voting rights of share capital or otherwise as the Company may, from time to time by special resolution determine, and any preference share may with the sanction of a special resolution by issued on the terms that it is, or at the option of the Company is liable, to be redeemed.

9. Every person whose name is entered as a member in the register shall, without payment of any fee or charge, be entitled to a certificate under the seal of the Company specifying the share or shares held by him and the amount paid thereon:

   Provided that in respect of a share or shares held jointly by several persons the Company shall not be bound to issue more than one certificate and delivery of a share certificate to one of the several joint holders shall be sufficient delivery to all.

Particulars on share Certificates

10. Every certificate of shares shall specify the number and denoting number of the shares in respect of which it is issued and the amount paid up thereon and shall be signed by at least two Directors, one of whom shall be the Managing Director, and the Secretary or any other person authorized by the Board, subject to the company's (Issue of Share Certificates) Rules, 1960.

Issue of new share certificate in place of one defaced, torn or old decrept worn out or lost or destroyed

11 a) If any Share Certificate is defaced, torn or old, decrepit, worn out, or there is no further space on the back there of for endorsement of transfer, then, upon the surrender thereof to the Company, it may order the same to be cancelled and issue a new certificate in lieu thereof.

   b) If any Share Certificate is lost or destroyed, it may be renewed on obtaining prior consent of the Board and on payment of a fee of 50 paise and in such reasonable terms, if any, as to evidence and indemnity and the payment of out-of-pocket expense incurred by the Company in investigating evidence, as the Board thinks fit.

Calls on shares :

12. The Board of Directors may, from time to time, make calls upon the members in respect of any moneys unpaid on their shares and specify the time or times of payments and each member shall pay to the Company at the time or times specified the amount called on his shares Provided, however that the Board may, from time to time at their discretion extend the time fixed for the payment of any call. **Calls on Shares**

13. If the sum payable in respect of any call be not paid on or before the day appointed for payment thereof, the holder for the time being, or the allottee of the share in respect of which a call shall have been made, shall pay interest on the same at such rate not exceeding 6 per cent per annum as the Board shall fix, from the day appointed for the payment thereof to the time of actual payment, but the Board may waive payment of such interest, wholly or in part. **When interest on call payable**

14. The Board may, if it thinks fit, receive from any member willing to advance the same, all or any part of the moneys due upon the shares held by him beyond the sums actually called for and upon the moneys so paid in advance or so much thereof as from time to time exceeds the amount of calls then made upon the share in respect of which such advance has been made, the Company may pay interest at such rate not exceeding 6 percent per annum as the members paying such sum in advance and the Board agrees upon, The Board may, at any time, repay the amount so advanced upon giving to such member three months, notice in writing. **Payment in anticipation of calls may carry interest**

15. The joint holders of the shares shall be jointly and severally liable to pay all calls in respect thereof. **Joint holders liability to pay**

16. No person shall be recognized by the Company as holding any shares upon any trust and the Company shall not be bound by or required to recognize any equitable, contingent, future or partial interest in any share or any right whatever in respect of any share other than an absolute right to the entirety thereof in the registered holder except as by these Articles otherwise expressly provided or as by Act required or pursuant to any order of court. **Trust not to be recognized as share holder**

Lien:

Company's lien on share

17. The Company shall have the first and paramount lien on every share (not being a fully paid share) for all moneys (whether presently payable or not) called or payable at a fixed time in respect of that share, and the company shall also have a lien on all shares (other than fully paid shares) standing registered in the name of a single person or all moneys presently payable by him or from his estate to the Company, but the Board may, at any time, declare any share to be wholly, or in part exempt from the provisions of this article. The company's lien, if any, on the share shall extend to all dividends payable thereon.

Enforcement of lien by sale

18. The Company may sell, in such manner as the Board thinks fit, any share on which the company has a lien but not sale shall be made unless a sum in respect of which the lien exists is presently payable no until the expiry of fourteen days after a notice in writing stating and demanding payment of such part of 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 persons entitled there to by reason of his death or insolvency.

Sale of shares on which company has lien

19. a) To give effect to any such sale, the Board may authorize some person to transfer the share to the purchaser thereof.
    b) The purchaser shall be registered as the holder of the shares comprised in any such transfer.
    c) The purchase shall not be bound to see to the application of the purchaser money nor shall his title to shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

Application of proceeds of sale

20. The proceeds of the sale shall be received by the Company and shall be applied in payment of such part of the amount in respect of which the lien 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 prior to the sale) be paid to the persons entitled to the shares at the date of the sale. The purchaser shall be registered as the holder of the shares and he 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.

Transfer and Transmission :

Transfer and Transmission of share

21. The right of members to transfer their shares shall be restricted as follows:

    a) A share may be transferred by a member or other person entitled to transfer only to a person approved by the Governor.

    b) Subject to Section III of the Act, and subject as aforesaid the Board may, in its absolute and uncontrolled discretion, refuse to register any proposed transfer of shares.

Notice of refusal to register transfer

22. If the Board refuses to register the transfer of any shares it shall, within two month of the date on which the instrument of transfer is delivered to the Company, send to the transferee and the transferor, notice of the refusal.

Company not bound to recognise any interests in shares other than that of the registered holders

23. Save as herein otherwise provided, the Board shall be entitled to treat the person whose name appears on the register of members as the holder of any share, as the absolute owner thereof and accordingly shall not (except as ordered by a Court of competent jurisdiction or as by law required) be bound to recognise any benami trust or equity or equitable contingent or other claim to or interest in such share on the part of any persons, whether or not it shall have express or implied notice thereof.

Execution of Transfer

24. The instrument of transfer of any share in the Company shall be executed both by the transferor and the transferee and the transferor shall be deemed to remain holder of the share until the name of the transferee is entered in the register of members in respect thereof.

Form of Transfer

25. Shares in the Company shall be transferred in the form prescribed by the Rules.

Transfer to be left at office and evidence of title to be given

26. Every instrument of transfer shall be left at the office for registration, accompanied by the certificate of shares to be transferred, and such evidence as the Company may require to prove the title of the transferor his right to transfer the shares. All instruments of transfer shall be retained by the Company, but any instrument of transfer which the Board may decline to register shall on demand, be returned to the persons depositing the same.

Transmission by operation of law

27. Nothing contained in Article 21 shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares in the Company has been transmitted by operation of law.

When register of members and debenture holders may be closed

28. The register of Members or the Register of Debenture holders may be closed for any period of periods not exceeding in the aggregate 45 days in any year, but not exceeding 30 days at any one time after giving not less than 7 days previous notice by advertisement in some newspaper circulating in the District in which the registered office of the Company is situated.

Board's right to refuse registration subject to the provisions of section 3 of the Act

29. The Board shall have the same right to refuse to register the name of a person entirely, by transmission to any shares or his nominee, as if he were the transferee named in an ordinary transfer presented for registration.

Alteration of Capital:

Power to increases capital

30. Subject to the approval of the Governor, the Board may, with the sanction of the Company in General Meeting increase the share capital by such sum, to be divided into shares of such amount as may be specified in the resolution.

On what condition new shares may be issued

31. Subject to such direction as may be issued by the Governor in this behalf, new shares shall be issued upon such terms and conditions and with such rights and privileges annexed there to as the company may in its General Meeting direct and if no such direction be given as the Board shall determine:

    Provided that no share (not being preference shares) shall be issued carrying voting right or rights in the Company as to dividend, capital or otherwise which are disproportionate to the rights attaching to the holders of other shares (not being preference shares).

How far new shares to rank with shares in original capital

32. Except so far as otherwise provided by the conditions of issue, or by these articles, any capital raised by the creation of new shares shall be considered part of the original capital and shall be subject to the provision herein contained with reference to the payment of calls and installments, transfer and transmission lien, voting, surrender and otherwise.

33. The new-shares shall be offered to the members in proportion to the existing shares held by each member and such offer shall be made by notice specifying the number of shares to which the member is entitled and limiting a time within which the offer if not accepted will be deemed to be declined and after the expiry of such time or on receipt of an intimation from the member to whom such notice is given that he declines to accept the shares offered, the Board may dispose of the same in such manner as it thinks most beneficial to the Company.

New shares to be offered to members

34. Subject to the provisions of the Section 100 to 104 of the Act, and to such directions as may be issued by Governor in this behalf, the Company, may, from time to time by special resolution, reduce its capital by paying off capital or cancelling capital which has been lost or is unrepresented by available assets, or is superfluous or by reducing the liability on the shares or otherwise as may seem expedient, and capital may be paid off upon the footing that it may be called up again or otherwise and the Board may, subject to the provision of the Act, accept surrender of shares.

Reduction of capital etc.

Sub-division and consolidation of shares

35. Subject to the approval of the Governor, the Company, in General Meeting may, from time to time sub-divide or consolidate its shares or any of them and exercise any of the other powers conferred by section 94 of the Act, and shall file with the Registrar, such notice of exercise of any such powers as may be required by the Act.

Power to modify

36. If at any time, the capital, by reason of the issue of preference shares or otherwise is divided into different classes of shares, all or any of the right and privilege attached to each class may, subject to the provisions of Sections 106 and 107 of the Act, be modified, abrogated or dealt with by agreement between the Company and by any person purporting to contract on behalf of that class, provided such agreement is (a) ratified in writing by the holders of the issued shares of that class of at least three fourths of the nominal value of them or (b) confirmed by a resolution passed at a separate General Meeting and supported by the votes of at least three fourths of the holders of shares of that class and all the provisions hereinafter contained as to General Meeting shall *mutatis mutandis* apply to every such meeting. Except that the quorum thereof shall be members holding or representing by proxy one-fifth of the nominal amount of the issued shares of that class. This article shall not by implication curtail the power of modification which the Company would have if the Article were omitted.

Borrowing Powers :

Power to borrow

37. Subject to the provision of Section 292 of the Act, the Board may, from time to time, borrow, or secure the payment of any sum or sums of money for the purposes of the Company by means of a Resolution passed at a meeting of the Board.

Conditions on which money may be borrowed

38. The Board may secure the repayment of such moneys in such manner and upon such terms and conditions in all respect as it thinks fit and in particular by the issue of bonds, perpetual, or redeemable debenture or debentures stocks or any mortgage, charge or other security on the undertaking of the whole or any part of the property of the Company (both present and future) including its uncalled capital for the time being.

Securities may be assignable free from equities

39. Debentures, debenture stock, bonds or other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

Issue at discount etc. or with special privilege

40. Subject to the approval of the Governor and the provisions of Sections 3 and 117 of the Act, any debentures, debenture stock, bonds or other securities may be issued at a discount, premium or otherwise, and with any special privileges as to redemption, surrender drawings, allotment of shares, attending General Meeting of the Company appointment of Directors and otherwise.

Persons not to have priority over any prior charge

41. Whenever any uncalled capital of the Company is charged all persons taking any subsequent charge thereon shall take the same subject to such prior charges and shall not be entitled by notice to the shareholders or otherwise to obtain priority over such prior charge.

Indemnity may be given

42. If the Board of Directors or any of them or any other persons shall become personally liable for the payment of any sum primarily due from the Company, the Board may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or persons so becoming liable as aforesaid from any loss in respect of such liability.

General Meeting :

General meetings

43. The First Annual General Meeting of the Company shall be held within eighteen months of its incorporation. The Company shall in each calendar year hold in addition to any other meetings, an Annual General Meeting. Not more than 15 months shall elapse between the date of one Annual General meeting and that of the next. The first Annual General Meeting and the subsequent Annual Meeting of the Company shall be held in accordance with the provisions of Section 166 of the Act. All meetings of the Company other than the Annual General Meeting shall be called Extra-ordinary Meetings.

When extraordinary meeting to be called

44. Subject to the provision of Section 169 of the Act, the Board may, whenever it thinks fit, and shall, on the requisition of the holders of not less than one-tenth of the paid-up capital of the Company as at that date carried a right of voting in regard to that matter and on which all calls or other sums then due have been paid forthwith, proceed, to convene an extraordinary meeting of the Company, and in the case of such requisition the following provisions shall have affect.

1) The requisition must state the objects of the meeting and must be signed by the requisitionists and deposited at the Office and may consist of several documents in like form each signed by one or more requisitionists;

2) If the Board of the Company does not proceed with in twenty-one days, from the date of the deposit of the valid requisition to cause a meeting to be called for the consideration of these matters on a day not later than forty-five days, from the date of the deposit of the requisition, the requisitioinists or a majority of them in value may themselves convene the meeting, but any meeting so convened shall be held within three months from the date of the deposit of the requisition:

3) Any meeting convened under this Article by the requisitionists shall be convened in the same manner as nearly as possible as that in which meetings ate to be convened by the Directors.

Notice of Meeting

45. A General Meeting of the Company may be called by giving not less than twenty-one day's notice in writing specifying the place, day and hour of meeting with a statement of the business to be transacted at the meeting. Such notice shall deserved on every member in the manner herein after provided, but with the consent in writing of all the members of entitled to receive notice of same any particular meeting may be convened by such shorter notice and in such manner as those members may think fit:

Provided however, that where any resolution is intended to be passed as a Special Resolution at any General Meeting as required by Sub-section (2) of Section 189 of the Act notice of such meetings specifying the intention to propose the resolution as a Special Resolution shall be served.

Omission to give notice

46. The accidental omission to give notice to, or the non-receipt of notice by, any member or other person to whom it should be given shall not invalidate the proceedings at the meeting.

Proceedings of General Meetings:

Business of Annual General Meeting

47. The business of an Annual General Meeting shall be to receive and consider the Profit and Loss Account, the Balance Sheet, and the report of the Directors and the Auditors, to declare dividends and to transact any other business which under these articles ought to be transacted at an Annual General Meeting. All other business transacted at an extra ordinary meeting shall be deemed special.

Quorum

48. Two members present in person shall be a quorum for a General Meeting

Rights of Government to appoint any person as its representative

49. 1) The Governor so long as he is a share holder of the Company, may from time to time, appoint one or more persons (who need not be a member of the Company) to represent him at all or any meetings of the Company

2) Any one of the persons appointed under sub-clause (1) of this Article who is personality present at the meeting shall be deemed to be a member entitled to vote and be present in person and shall be entitled to represent the Governor at all or any such meeting and tc vote on his behalf whether on a show of hands or on a poll.

3) The Governor may, from time to time cancel any appointment made under sub-clause (1) of this Article and make fresh appointments

4) The production at the meeting of an order of the Governor shall be accepted by the Company as sufficient evidence of any such appointment or cancellation as aforesaid.

5) Any person appointed by the Governor under this Article may, if so authorized, by such order, appoint a proxy, whether specially or generally.

Chairman of general meeting

50. The Chairman of the Board of Directors shall be entitled to take the chair at every general meeting, or if there be no such Chairman, or if at any meeting he shall not be present within fifteen minutes after the time appointed for holding such meeting or is unwilling to act as Chairman, the members present shall choose another Director as Chairman, and if no Director shall be present, or if all the Directors present decline to take the chair, then the members present shall choose one of their members to be the Chairman.

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

51. If within fifteen minutes from the time appointed for the meeting a quorum is not present, the meeting convened upon such requisition as aforesaid shall be dissolved; but in any other case it shall stand adjourned to the same day in the next week at the same time and place, and if at such adjourned meeting a quorum is not present those members who are present shall be a quorum and may transact the business for which the meeting was called.

How questions to be decided at meeting

52. Every question submitted to a meeting shall be decided by a show of hands and in the case of an equity of votes the Chairman shall have a casting vote in addition to the vote or votes to which he may be entitled as a member.

What is to be evidence of passing of a resolution where poll not demanded

53. At any general meeting a resolution put to vote of the meeting shall be decided on a show of hands, unless a poll is, before or on the declaration of the result of the show of hands, demanded by member present in person or proxy or by duly authorized representative and unless a poll is so demanded, a declaration by the Chairman that a resolution has or has not, on a show of hands, been carried or carried unanimously or by a particular majority, and an entry to that effect in the book of proceedings of the Company, shall be conclusive evidence of the fact, without proof of the number of proportion of the vote recorded in favour of or against that resolution.

Poll

54. If a poll is duly demanded, it shall be taken in such manner and at such time and place as the chairman of the meeting directs and either at once, or after an interval or adjournment or otherwise, and the results of the poll shall be deemed to be resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn.

Power to adjourn general meeting

55. The Chairman of a general meeting may, with the consent of the meeting, adjourn the same, from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

In what cases poll taken without adjournment

56. Subject to the provisions of Section 180 of the Act, any poll duly demanded on the election of a Chairman of a meeting or on any question of adjournment shall be taken at the meeting and without adjournment.

Business may proceed not with-standing demand of poll

57. The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.

Chairman's decision conclusive

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

Votes of Members:

Votes of members

59. Upon a show of hands every member present in person shall have one vote and upon a poll every member present in person or by proxy or by duly authorized representative shall have voting rights in proportion to his share of the paid up equity capital of the Company.

Voting of proxy on show of hands

60. A proxy shall not be entitled to vote on a show of hands.

Votes in respect of shares of deceased and bankrupt members

61. Any person entitled under the transmission clauses to any share may vote at any general meeting in respect thereof in the same manner as if he were the registered holder of such

shares provided that forty eight hours at least before the time of holding or adjourned meeting as the case may be, at which he proposes to vote, he shall satisfy the Board or his right to such shares, unless the Board shall have previously admitted his right to such shares or his right to vote of such meeting in respect thereof.

62. Where there are joint registered holders of any share any one such persons may vote at any meeting either personally or by proxy, in respect of such shares as if he were solely entitled thereto, and if more than one such joint holders be present the joint holder whose name stands first on the register in respect of such shares shall alone be entitled to vote in respect thereof, several executors or administrators, of a deceased member in whose name any share stands shall for the purposes of this clause be deemed joint holders thereof. **Joint holders**

63. A member of unsound mind or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote either on a show of hands or on poll by his committee or other legal guardian and any such committee or guardian may, on a poll, vote by proxy. **Votes in respect of shares of members of unsound mind**

64. On a poll, votes may be given either personally or by proxy or by duly authorized representative. **Proxies remitted**

65. A member entitled to attend and vote at a meeting may appoint another person (whether a member or not) as his proxy to attend a meeting and vote on a poll. No member shall appoint more than one proxy to attend on the same occasion. A proxy shall not be entitled to speak at a meeting or to vote except on a poll. The instrument appointing a proxy shall be in writing and be signed by the appointer or his attorney duly authorized in writing or if the appointer is a body corporate, be under its seal or be signed by an officer or an attorney duly authorized by it. **Instruments appointing proxy to be in writing**

66. The instrument appointing a proxy and the power of attorney or other authority if any under which it is signed, or a notorially certified copy of that power or authority, shall be deposited at the registered office of the Company not less than forty-eight hours before the tie for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote. **Instruments appointing proxy to be deposited at office**

67. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or the revocation of the proxy or of the authority under which the proxy executed or the transfer of the shares in respect of which the proxy is given, provided that no intimation in writing of such death, insanity revocation, or transfer or transmission shall have been received at the office of the Company before the commencement of the meeting or adjourned meeting at which the proxy is used. **When vote by proxy valid though authority revoked**

68. An instrument appointing a proxy may be in the following form, or in any other form as per schedule IX to the Act: **Form of proxy**

KERALA AUTOMOBILES LIMITED

"I..of...in the

District of...being a member of the above named

company hereby...appoint...of

....in the District of..as my

proxy to vote for me on my behalf at the annual or extraordinary (as the case may be) general

meeting of the Company to be held on the..

day of..and at any adjournment thereof".

Signed this...day of..

No member entitled to vote ect, while call due to Company

69. No member shall be entitled to be present, or to vote on any question either personally or by proxy at any general meeting or upon a poll, or be reckoned in quorum whilst any call or other sum shall be due and payable to the company in respect of any of the shares of such members.

Time for objection to vote

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

Directors:

Number of Directors

71. Unless otherwise determined by the Governor, the number of Directors including the Chairman, the managing Director and such whole time Directors as the Governor may consider necessary, shall not be less than two and not more than nine. All the Directors including the whole time Directors shall be appointed by the Governor.

Directors' Share Qualification

72. The Directors are not required to hold any qualification shares

Remuneration of Directors

73 a) The Directors including the Chairman and the Managing Director and the whole time Directors shall be paid such salary and allowances as the Governor may from time to time determine. Subject to the provisions of Section 314 of the Act such reasonable additional remuneration as may be fixed by the Governor may be paid to any one or more of the Directors for services rendered by him or them or otherwise.

b) The Governor may determine the period for which the Chairman and/or Managing Director are to hold their respective officers.

Removal of Directors

c) The Governor shall have the power to remove any Director including the Chairman and Managing Director, from office at any time subject to the terms of appointment of the Chairman and/or Managing Director or whole time Directors.

d) The Governor shall have the right to fill any vacancy in the office of the Directors caused by removal, resignation death or otherwise.

e) The official and non-official Directors shall be paid sitting fee at the rate determined by the Governor from time to time.

Powers of Board of Directors :

General Powers of Company vested in Board

74. The business of the Company shall be managed by the Board of Directors who may pay all expenses incurred in getting the Company registered and may exercise all such powers of the Company as are not, by the Act, or any statutory modification thereof for the time being in force or by these Articles, required to be exercised by the Company in General Meeting, subject nevertheless to the provisions of these Articles, to the provisions of the Act, and to such regulations being not inconsistent with the provisions, as may be prescribed by the Company in General Meeting but no regulations 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.

Specific powers of the Board

75. Without prejudice to the general powers conferred by Article 74 and the other powers conferred by these Articles, and subject to the provisions of Sections 291 to 294 and 297 of the Act, the Board shall have the following powers, namely:-

1) To purchase, take on lease or otherwise acquire for the Company property, rights or privileges which the Company is authorized to acquire at such price, and generally on such terms and conditions as it thinks fit;

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2) To authorize the undertaking of work of a capital nature subject to the condition that all cases involving a capital expenditure exceeding Rs. 25 lakhs shall be referred to the Governor for his approval before authorization;

3) To pay for any property, rights or privileges acquired by, or services rendered to the Company either wholly or partly in cash or in shares, bonds, debentures or other securities of the Company and any such shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged;

4) To secure the fulfillment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such other manner as it may think fit;

5) To appoint managers, secretaries, officers, clerks, stenographers, peons, agents, or any other employees provisionally, permanently, or on probation, or on contract basis, to fine, suspend, remove reduce in rank, or dismiss any of them or otherwise punish them in any manner deemed fit by the Board of Directors of the Company, to determine their powers, duties and obligations, fix their salaries, allowances and other emoluments or pecuniary benefits and to require any of them to furnish suitable security. Any appointment of an officer or employee, carrying basic salary exceeding Rs. 2,000 shall be made only subject to the concurrence and approval of the Governor the principles of reservations applicable to Government appointments should be followed in the matter of all appointments;

9

6) To appoint any person or persons (whether incorporated or not) to accept and hold in trust for Company any property belonging to the Company or in which it is interested or for any other purposes, and to execute and do such deeds and things as may be requisite in relation to any such trust and provide for the remuneration of such trustee or trustees;

7) To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company and also to compound and allow time for payment or satisfaction of any claims or demands by or against the Company;

8) To refer any claims or demands by or against the Company to arbitration, and observe and perform the awards;

9) The make and give receipts, releases and other discharges for money payable to the Company and for the claims and demands of the Company;

10) To determine the person who shall be entitled to sign on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, releases, contracts and documents;

11) To appoint any person to be the attorney or agent of the Company with such powers (including power to sub-delegate) and upon such terms as it may deem fit; **To invest money**

12) To invest in Securities or in any other Scheduled Bank or Banks to be specifically decided by the Board for having call deposits and opening current accounts and deal with any of them ones of the Company upon such investments authorized by the Memorandum of Association of the Company (not being shares in this Company and in such manser as it thinks fit and from time to time to vary or release such investments;

13) Subject to the provisions regarding consent of the Governor to sell or dispose of or transfer the business or property, if any, of the Company or any part thereof on such consideration as the Company may deem proper and in particular for shares, debentures, or securities of any other Company having objects altogether or in part similar to those of the Company;

14) To execute in the name and on behalf of the Company in favour of any director or other person who may incur or be about to incur any personal liability for the benefit of the company, such mortgages of the Company's property (present and future) as they think fit and any such mortgage may contain a power of sale and such other powers, covenants and provisions as shall be agreed upon;

15) Subject to the approval of the Governor, to give to any person employed by the Company a commission on the profits of any particular business transaction or a share in the general profits of the Company, and such commission or share of profits shall be treated as part of the working expenses of the company;

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

17) To give award or allow any bonus, pension gratuity or compensation to any employee, of the Company or his widow, children or dependants, - that may appear to the Directors just or proper, whether such employee his widow, children or dependants, have or have not a legal claim upon the Company;

18) Before declaring any dividend and subject to the prior approval of the Governor, to set aside such portion of the profits of the Company as it may think fit, to form a fund to provide for such pensions gratuities or compensation or to create any provident or benefit fund in such manner as the Directors may deem fit;

19) From time to time and at any time to establish any local Board for managing any of the affairs of the Company in any specified locality in the state of Kerala, or out of the State and to appoint any persons to be members of such local Board and to fix their remuneration, and from time to time and at any time to deligate to any person so appointed any of the powers, authorities and discretion for the time being vested in the Directors other than their power to make call, and to authorize the members for the time being of any such local Board or any of them to fill up any vacancies therein and to act notwithstanding vacancies and any such appointment or delegation may be made in such terms and subject to such conditions as the Board may think fit and the Board may at any time remove any person so appointed and may annual or vary any such delegation;

20) To enter into all such negotiations and contracts and rescind and vary all such contracts and execute and do all such acts, deeds and things in the name and on behalf of the Company as it may consider expedient for or in relation to any of the matter aforesaid or otherwise for the purpose of the Company; and

21) Subject to section 292 of the Act to delegate any of the powers, authorities and discretion for the time being vested in it subject however to the ultimate control and authority being retained by it.

Managing Director :

Appointment of Managing Director

76 1) The Governor may appoint any one of the Directors to be the Managing Director of the Company on such terms and for such period as he may think fit, for the conduct or management of the business of the Company subject to the control and supervision of the Board of Directors. The Managing Director appointed shall be authorized and entrusted by the Board to exercise such powers in relation to the affairs of the Company as are not required to be done by the company at the General Meeting under the Act.

2) The Managing Director shall be paid such salary and allowances as may be fixed by the Governor

3) In the absence of the Managing Director on leave or otherwise, the Board may, with the previous approval of the Governor, empower any other Director or any principal officer of the Company to perform all or any of his functions and duties; provided that where such absence is not likely to exceed three months. The previous approval of the Governor shall not be necessary.

Powers of the Governor

77. The following matters shall require the prior approval of the Governor.

1) Sale, Lease, Exchange, mortgage and/or disposal otherwise of the whole or substantially the whole of the undertaking of the Company;

2) Formation of a Subsidiary Company/Companies;

3) "Any Collaboration Agreement to be executed for implementing projects requiring the prior approval of the Government under Article 75(2) and any Collaboration Agreement to be executed with a foreign party, irrespective of the capital expenditure involved, should receive prior approval of the Government."

4) Division of capital into different classes of shares:

5) Foreign tours by Directors or employees of the Company for business matters or for study purpose or otherwise;

6) Winding up of the Company;

7) Promotion of Company/Companies;

8) The annual revenue Budget of the Company is case there is an element of deficit which is proposed to be met by obtaining funds from the Government;

9) Matters relating to the revision of scales of pay, T.A., D.A., etc. of the employees of the Company and allied matters;

10) Rules of the Company governing the conditions of service of the employees of the Company, provident fund and other rules, creation of Reserve and Special Funds;

11) "Matters relating to introduction/revision of schemes for creating benefits involving additional expenditure to the employees, staff etc. of the company."

12) Any other matter which in the opinion of the Chairman be of such importance as to be reserved for approval of the Governor.

13) Matters relating to the deputation of officers/workers etc. of the company to other Public Sector Undertakings and also from other Public Sector undertaking to the Company.

Board to cause minutes to be made in the books

78 The Board shall cause minutes to be made in books provided for the purpose –

a) of all appointments of officers made by the Board;

b) of the names of the Directors present at each meeting of the Board and of any Committee of the Board;

c) of all resolutions and proceeding at all meetings of the Company and of the Board and of the Committees or the Board; and every Director present at any meeting of the Board or Committee of the Board shall sign his name in a book to be kept for the purpose;

Seal

Seal :

79 The seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board of Directors and except in the presence of at least two Directors including Managing Director and the secretary or such other person as the Board may appoint for the purpose, and the said Directors and the person aforesaid shall sign every instrument to which the seal is so affixed in their presence.

Disqualification of Directors:

80. The Office of a Director shall become vacant if:

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

b) he applies to be adjudicated an insolvent;

c) he is adjudged an insolvent;

d) he is convicted by a court of any offence involving moral turpitude and sentenced in respect thereof to imprisonment for not less than six months;

e) he fails to pay any call in respect of shares of the Company held by him whether alone or jointly with others, within six months from the last date fixed for the payment of the call;

f) he absents himself from three consecutive meetings of the Board of Directors or from all meetings of the Board for a continuous period of three months whichever is longer, without obtaining leave of absence from the Board;

g) he fails to disclose the nature of his concern or interest in any contract or arrangement, or proposed contract or arrangement entered into or to be entered into by or on behalf of the Company as required under Section 299 of the Act;

h) he becomes disqualified by an order of Court under Section 203 of the Act;

i) he is concerned or participates in the profits of any contract with the Company;

Provided, however, no Director shall vacate his office by reasons of his becoming a member of any Company which has entered into contract with or done any work of the Company of which he is a Director, but a Director shall not vote in respect of any such contract or work, and if he does so vote, his vote shall not be counted;

Provided further that the disqualification referred to in subclause (c), (d) and (h) above shall not take effect;

a) For thirty days from the date of adjudication, sentence or order;

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

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

Alternate Directors :

Alternate Director

81. "The Governor shall appoint an alternate Director to act for a Director (here in after in this article called the original Director) during his absence for a period of not less than three months from this state. Such Director shall not hold office as such for a period longer than that permissible to the original Director in whose place he has been appointed. Such appointment shall have effect and such appointee while he holds office as an alternate Director shall be entitled to notice of the meetings of the Directors and to attend and to vote there at accordingly, but he shall not require any qualification and he shall ipsofacto vacate office when the original Director returns to this state"

Proceeding of the Board of Directors

Meeting of Board and Quorum

82. The Board of Directors may meet together for the transaction of business once at least in every three months and at least 4 such meetings shall be held every year. They may adjourn and otherwise regulate their meetings and proceedings as they think fit and may determine the quorum necessary for the transaction of the business. Until otherwise determined, one-third of the total strength of Directors (any fraction contained in that one-third being rounded off as one) or minimum two disinterested directors whichever is higher, shall be a quorum, provided that such quorum shall not be deemed to be complete unless at least one officer of the Government of Kerala who is for the time being Director is present.

Place of meeting

83. The meeting of the Board may be held at the registered office or any where else if it is in the interest of the Company.

Director may summon meeting how questions to be decided

84. A Director may at any time convene a meeting of the Directors and questions arising at any meeting shall be decided by majority of votes. The Chairman shall have a second or casting vote

Power of quorum

85. A meeting of the Board at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretion by or under the Article of the Company for the time being vested in or exercisable by the Board generally.

Chairman of Board's Meeting

86. The Governor may appoint a Director as Chairman of the Board and determine the period for which he is to hold office; if no such Chairman is appointed or if at any meeting the Chairman is not present within ten minutes after the time for holding same, the Directors present may choose one of their members to be Chairman of the meeting.

Power of Chairman

87. a) The Chairman shall reserve for the decision of the Governor any proposals or decision of the Board of directors or any matter brought before the Board which raises, in the opinion of the Chairman, an important issue and which is fit to be reserved for the decision of the Governor and no decision on such an important issue shall be taken in the absence of the Chairman appointed by the Governor.

b) In respect of matters reserved by the Chairman for decision of the Governor, if the views of Governor are not received within a period of two months, the Board shall be entitled to act in accordance with the proposal or decision without further reference to the Governor.

Delegation of powers to Committees

88. The Board may, subject to the restrictions laid down in Section 292 of the Act, delegate any of its powers to Committees consisting of such member or members of its body as it

thinks fit and may, from time to time, revoke such delegation. Any Committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may, from time to time be imposed upon it by the Board.

Chairman of meetings of committees

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

When actions of board of committee valid not withstanding defective appointment

90. All acts done by any meeting of the Board or of a Committee of Directors, or by any person acting as a Director, shall not with standing that it be afterwards discovered that there was some defect in the appointment of such Directors of persons acting as foresaid, or that they or any of them were disqualified be as valid as if every such person had been duly appointed and was qualified to be a Director. Provided that nothing in this Article shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.

Resolution without Board meeting valid

91. Save as otherwise expressly provided in the Act, a resolution in writing signed by all the Directors then in India or by a majority of such of them as are entitled to vote on the resolution shall be as valid and effectual as if it had been passed at meeting of the Directors duly called and constituted.

Reserve fund :

Reserve fund:

92. Subject to such directions as may, from time to time, be issued by the Governor in this behalf, the Board may before recommending any dividend, set aside out of the profits of the Company such sums as they think proper as a reserve fund to meet contingencies or for equalizing dividends, or for special dividends, or for repairing, improving and maintaining any of the property of the Company, and for amortization of capital and for such other purposes, as the Board shall in their absolute discretion think conducive to the interests of the Company, and may invest the several sums so set aside upon such investments (other than shares of the Company) as they think fit from time to time deal with and very such investments and dispose of all or any part thereof for the benefit of the Company and may divide the reserve funds into such special funds as they think fit, and employ the reserve fund or any part thereof in the business of the Company and without being bound to keep the same separate from the other assets.

Dividends :

Dividends

93. The profits of the Company available for payment of dividend subject to the any special right relating there to created or authorized to be created by these presents and subject to the provisions of these presents as to the reserve fund and amortization of capital shall, with the approval of the Governor be divisible among the members in proportion to the amount of capital held by them respectively;

Provided always that any capital paid up on a share during the period in respect of which a dividend is declared shall only entitle the holder of such share to an apportioned amount of such dividend as from the date of payment.

Capital paid-up in advance

94. Where capital is paid up on any shares in advance of calls upon the footing that the same shall carry interest such capital shall not, whilst carrying interest, confer a right to participate in profits.

Declaration of dividends

95. The Company in General Meeting may declare a dividend to be paid to the members according to their rights and interest in the profits and may fix the time for payment, but no dividend shall exceed the amount recommended by the Board of Directors.

Dividends out of profits only and not to carry interest

96. No dividend shall be payable otherwise than out of the profits of the year or other period or any other undistributed profits of the Company, and no dividend shall carry interest as against the Company.

Interim Dividend

97. Subject to the provisions of Section 205 of the Act, the Board may, from time to time, pay to the members such interim dividends as may be decided by them having regard to the position of the Company.

Debts may be deducted

98. The Board of Directors may retain any dividends on which the Company has a lien, and may apply the same in or towards satisfaction of the debts, liabilities or engagements, in respect of which the lien exists.

Dividend and call together

99 Any General Meeting declaring a dividend may make a call on the members of such amounts as the meeting fixes, but the call on each member shall not exceed the dividends payable to him and the call be made payable at the same time as the dividend, and the dividend may, if so arranged between the Company and the members, be set off against the call. The making of a call under this clause shall be deemed ordinary business of an ordinary general meeting which declares a dividend.

Dividends or Bonus Payable wholly or partly in cash

100. Any General Meeting declaring a dividend may resolve or direct that such dividend wholly or in part be paid cash in accordance with Section 205 of the Act and in particular of paid up share, debenture of or debenture stock of any other Company, or may appoint any person to sign such contract on behalf of the person entitled to the dividend of the capitalized fund and such appointment shall be effective

Effect of transfer

101 A transfer of shares shall not pass the right to any dividend declared thereon after transfer and before the registration of the transfer

Retention in certain cases

102. The Board may retain the dividends payable up on the shares in respect of which any person is under Article 21 entitled to become a member or which any person under that clause is entitled to transfer until such person shall become a member in respect of such shares or shall duly transfer the same.

Dividends to joint Holders

103. Any one of the several persons who are registered as the joint holders of any share may give effectual receipts for all dividends and payments on account of dividends in respect of such shares.

Payment by post

104. Unless otherwise directed, any dividend may be paid by cheque or warrant through post to the registered address of the member or person entitled or in the case of the joint holders to the address of that one whose name stands first in the register in respect of the joint holding; or to such person and to such address as share holder or joint-holder may in writing direct, and every cheque or warrant so sent shall be made payable to the order of the person to whom it is sent.

Notice of dividend

105 Notice of the declaration of any dividend, whether interim or otherwise shall be given to the holders of registered shares in the manner hereinafter provided

106 Unclaimed dividend shall be dealt in accordance with the provisions of the Act.

Accounts:

Accounts to be kept

107. The Company shall cause to be kept proper books of accounts with respect to :

a) All sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure takes place;

b) All sales and purchases of goods by the Company

c) The assets and liabilities of the Company.

Inspection of accounts books

108. The books of account shall be kept at the Registered office of the Company or at such other place as the Board shall think fit and shall be open to inspection by the Directors, during business hours;

Inspection by members

109. The Board shall, from time to time, determine whether and to what extent and what times and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to the inspection of members (not being Directors) and no member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorized by the Directors or by the Company in General meeting.

Annual accounts and Balance sheet

110. "Subject to the provisions of Section 210 of the Act, the Board shall, at some date not later than 18 months after the incorporation of the Company and subsequently once at least every year, lay before the Company in General Meeting a Balance Sheet and Profit and Loss Account, in the case of the first account since the incorporation of the Company and ending with a day which shall not precede the meeting by more than nine months in any other case since the preceding account made upto a date not earlier than the date of meeting by more than six month. (This article be renumbered as 110)

Annual Report of the Board

111. The Board shall cause an Annual Report to be made out and attached to every Balance Sheet a report with respect to the state of the Company's affairs, the amount if any which they recommend should be paid by way of dividend and the amount, if any, which they propose to carry to the Reserve Fund, General Reserve or Reserve Account shown specifically on the Balance Sheet or to a Reserve Fund, General Reserve or Reserve Account to be shown specifically in a subsequent Balance Sheet. The report shall be signed by such number of Directors as are required to sign the Balance Sheet and the Profit and Loss account by virtue of sub-sections (1) and (2) of Section 215 of the Act.

Contents of Profit and Loss Account

112. Form of contents of Balance Sheet and Profit and Loss Account should be in accordance with the provisions of Section 211 of the Act. The Profit and Loss Account shall, in addition to the matters referred to in Section 211 of the Act, show, arranged under the most convenient heads, the amount of gross income distinguishing the several sources from which it has been derived, and the amount of gross expenditure, distinguishing the expenses of the establishment salaries and other like matters. Every item of expenditure fairly chargeable against the year's income shall be brought into account so that a just balance of profit and loss may be laid before the meeting, and in cases where any item of expenditure which may in fairness be distributed over several years has been incurred in any one year, the whole amount of such item shall be stated, with the addition of the reasons why only a portion of such expenditure is charged against the income of the year.

Balance Sheet and profit and Loss Account to be sent to members

113. The Company shall sent a copy of such Balance Sheet and Profit and Loss Account together with a copy of the Auditor's Report to the Registered address of every member of the Company in the manner in which notices are to be given hereunder at least twenty-one days before the meeting at which it is to be laid before the meeting of the Company and shall deposit a copy at the registered office of the Company for inspection of the members of the Company during a period of at least twenty-one days before the meeting.

Board to comply with sections 209 to 222 of the Act

114. The Board shall in all respects comply with the provisions of Sections 209 to 222 of the Act, or any statutory modification thereof for the time being in force as may be applicable to the Company.

Audit :

Accounts to be audited annually

115. Once at least in every year the accounts of the Company shall be examined and the correctness of the Profit and Loss Account and Balance Sheet ascertained by one or more auditors as provided in the Act.

Appointment of Auditors

116. The auditors of the Company shall be appointed or reappointed by the Central Government on the advice of the Comptroller and Auditor General of India, and their rights and duties shall be regulated by Section 224 to 233 of the Act.

Auditors right to attend meetings

117. The Auditors of the Company shall be entitled to receive a notice of and to attend any General Meeting of the Company at which any accounts which have been examined or reported on by them are to be laid before the Company and may make any statement or explanation they desire with respect to the accounts.

Powers of the Comptroller and Auditor General of India

118. The Comptroller and Auditor-General of India, shall have power:

   a) to direct the manner in which the Company's Accounts shall be audited by the Auditors appointed in pursuance of Article 117 thereof and to give such auditors instructions in regard to any matter relating to the performance of their functions as such;

   b) to conduct a supplementary or test audit of the Company's accounts by such person or person as he may authorize in his behalf, and for the purposes of such audit, to have access at all reasonable times, to all accounts, account books, vouchers, documents and other papers of the Company and to require information or additional information to be furnished to any person or persons so authorized, on such matters, by such person or persons and in such form, as the Comptroller and Auditor General of India may, by general or special order, direct.

Comments of finance secretary or Accountant

119. The Company shall submit a copy of their Balance sheet and Profit and Loss Amount together with their auditors report to the Finance Secretary to the Government of Kerala who shall have the right to comment upon or supplement the audit report in such manner as he may think fit. Any such comments upon or supplement to the Audit Report shall be placed before the Annual General Body Meeting of the Company, at the same time and in the same manner as the audit report.

Comments upon or supplement to audit report by the Comptroller and Auditor General of India to be placed before ordinary meetings

120. The auditors aforesaid shall submit a copy of their audit report to the Comptroller and Auditor-General of India, who shall have the right to comment upon or supplement the audit report in such manner as he may think fit. Any such comments upon or supplement to the audit report shall be placed before the Annual General Meeting of the Company at the same time and in the same manner as the audit report.

Annual Report to be laid before state legislature

121. The Governor shall cause an Annual Report on the working and affairs of the Company to be prepared within three months of is Annual General Meeting before which the audit report is placed and, as soon as may be after such preparation, laid before the State Legislature with a copy of Audit Report and comments or supplements referred to in Article 120.

Rights of the Governor

122. Notwithstanding anything contained in any of these articles, the Governor may, from time to time, issue such directives as he may consider necessary in regard to the conduct of the business and affairs of the company or Directors thereof and in like manner may vary and annual any such directive. The Directors shall give immediate effect to directives so issued. The Governor may give directions to the company as to the exercise and performance of its functions in matters involving the National security or substantial public interest and ensure that the company gives effect to such directives;

Notices:

How notice to be Served on members

123. A notice may be given by the Company to any member either personally or by sending it by post to him to his registered address, or (if he has no registered address) to the address if any supplied by him to the Company for the giving of notice to him.

Notification of address by a holder of registered share having no registered place of address

124. A holder of registered shares, who has no registered place of address may, form time to time, notify in writing to the Company an address, which shall be deemed his registered place of address, within the meaning of Article 123.

When notice may be given by advertisement

125. If a member has no registered address and has not supplied to the Company an address for the giving of notices to him, a notice advertised in news papers ciclating in the neighbourhood of the Registerd Office of the Company, shall be deemed to be duly given to him on the date on which the advertisement appears:

How notice to be given to representatives of a deceased or bankrupt member

126. A notice may be given by the Company to the persons entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a prepaid letter addressed to them by name, or by the title or representatives of the deceased or assignee of the insolvent or by any like description, at the address (if any) supplied for the purpose by the person claiming to be so entitled or (until such an address has been so supplied) by giving notice in any manner in which the same might have been given if the death or insolvency had not occurred.

Notice to joint holders

127. 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 in respect of the share:

To whom notice of general meeting to be given

128. Notice of every General Meeting shall be given in the same manner herein before authorized to (a) every member of the Company except those members who having no registered address have not supplied to the Company an address for the giving of notice to them and also to (b) every person entitled to a share in consequence of the death or insolvency of a member who but for his death or insolvency, would be entitled to receive notice of the meeting provided the Company had due notice.

Transferences etc, bound by prior notice

129. Every person who by operation of law, transfer or other means whatsoever, shall become entitled to any share shall be bound by every notice in respect of such share which previously to his name and address and title to the share being notified to and registered by the Company, shall be duly given to the person from whom he derives his title to such share.

How notice to be Signed

130. The signature to any notice to be given by the Company may be written or printed.

How time to be counted

131. Where a given number of days notice or notices extending over any other period is required to be given the day of service shall not be counted in such number of days or other period.

Winding Up:

Distribution of assets on winding up

132. If the Company shall be wound up and the assets available for distribution among the members as such shall be insufficient to repay the whole of the paid up capital such

assets shall be distributed so that, as nearly as may be, the losses shall be borne by the members in proportion to the capital paid up or which ought to have been paid up at the commencement of the winding up, on the shares held by them respectively. And if in a winding up, the assets available for distribution among the members shall be more than sufficient to repay the whole of the capital paid up the excess shall be distributed among the members in proportion to the capital paid up or which ought to have been paid up on the shares held by them respectively. But this clause shall be without prejudice to the right of the holders or shares issued upon special terms and conditions.

Secrecy Clause:

Secrecy Clauses

133 No member shall be entitled to require discovery of any information respecting any detail of Company's trading or any matter which may be in the nature of a 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 in expedient in the interests of the members of the Company to communicate to the public.

Indemnity:

Indemnity

134. Subject to the provisions of Section 201 of the Act, every Director, Auditor, Secretary and other Officer or servant of the Company shall be indemnified by the Company against and it shall be the duty of the Directors out of the funds of the Company to pay all cost, losses and expenses which any such officer or servant may incur or become liable to by reason of any contract entered into, or act or thing done by him as such officer or servant or in any way in the discharge of his duties; and the amount for which such indemnity is provided shall immediately attach as a lien on the property of the Company, and have priority as between the member over all other claims.

Individual responsibility of Directors

135. No Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or Officer of the Company or for joining in any receipt or other act for conformity or for any loss or expenses happening to the Company through the insufficiency or deficiency of title to any security in or upon which any of the moneys of the Company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person with whom any moneys, securities or effect shall be deposited or for any other loss, damage or misfortune whatever, which shall happen in the execution of the duties of his misorin relation thereto, unless the same happens through his own negligence, default, office feasence, breach of duty or breach of trust.

Sl. No.	Name of the Subscriber	Address and description and occupation, if any	No. of equity shares taken by each	Signature of the Subscriber
1.	V.P. Joseph Aged 51 years, son of late Shri V.A. Pascal, on behalf Of the Governor of Kerala	Joint Secretary to Government, Industries Department, T.C. No. 15/167 Cotton Hill, Trivandrum-14	Ten (10)	Sd/-
2.	N.S. Mannadiar Aged 50 years, son of Shri N. Kannappa Tharakan	Deputy Secretary, Industries Department, T.C. 14/1109, Forest Office lane, Trivandrum	One (1)	Sd/-
3.	A.M. Ismail Aged 38 years, son of Shri J.M. Abdul Khadir	Senior Grade Assistant Industries Department, Govt. Secretariat, Lekshmi Vilasom, Pachalloor, Trivandrum	One (1)	Sd/-

Witnessed by:

T.N. Padmanabha Pillai
Joint Secretary to Government,
Law Department,
Secretariat, Trivandrum.

Dated : 14th March 1978