



MAHA RASHTRA APEX CORPORATION LIMITED

Registered Office:
**3rd Floor, Front Wing
North Block, Manipal Centre
47, Dickenson Road
BENGALURU -560 042**



Memorandum and Articles of Association

CERTIFICATE OF INCORPORATION

No.3 of 1943-1944

I hereby certify that the MAHARASHTRA APEX BANK LIMITED is this day incorporated under the Indian Companies Act, 1913 (VII of 1913) and that the Company is Limited.

Given under my hand at Mangalore this twenty sixth day of April One thousand nine hundred and forty three.



The Seal of the
Assistant Registrar
of joint Stock
Companies
South Canara.

Sd/-
Addl. Assistant
Registrar of Joint Stock Companies.

CERTIFICATE OF COMMENCEMENT OF BUSINESS

(Pursuant to Section 103(2) of the
Indian Companies Act, 1913)

I hereby certify that the MAHARASHTRA APEX BANK LIMITED which was incorporated under the Indian Companies Act, 1913, on the Twenty-sixth day of April, 1943, and which has this day, filed a duly verified declaration in the prescribed form that the conditions of section 103(1)(a) to (d) of the said Act have been complied with is entitled to commence business.

Given under my hand at Mangalore this fifth day of May one thousand nine hundred and forty three.



Sd/-
Additional Assistant
Registrar of Joint Stock Companies.

CERTIFICATE OF INCORPORATION ON CHANGE OF NAME

(Pursuant to Section 11(4) & (5) of the
Indian Companies Act, 1913)

I hereby certify that the Maharashtra Apex Bank Limited having, with. the sanction of special resolution of the said company and with the approval of the Central Government signified in No.28 (16) CL/55 Government of India, Ministry of Finance (Department of Company Law Administration) dated 5.8.55 changed its name is now called the "MAHARASHTRA APEX CORPORATION LIMITED" and that such new name has this day been entered in the register.

Given under my hand at Madras this second day of September one thousand nine hundred and fifty five.



Sd/-
Registrar of Companies.

Co.No.1177

**FRESH CERTIFICATE OF INCORPORATION
CONSEQUENT ON CHANGE OF NAME**

In the Office of the Registrar of Companies, Karnataka, Bangalore
(Under the Companies Act, 1956 (1 of 1956))

IN THE MATTER OF MESSERS MAHARASHTRA APEX CORPORATION LIMITED

I hereby certify that M/s Maharashtra Apex Corporation Limited, which was originally incorporated on 26th day of April, 1943 under the Companies Act, and under the name Maharashtra Apex Bank Limited having duly passed the necessary resolution in terms of section 21 of Companies Act, 1956, and the approval of the Central Government signified in writing having been accorded thereto in the Department of Company Affairs.

Registrar of Companies, Karnataka, Bangalore letter No.TA.II/PS/ 1177/CN/21/96 dated 7.2.1996 the name of the said company is this day changed to MAHA RASHTRA APEX CORPORATION LIMITED and this certificate is issued pursuant to section 23(1) of the said Act.

Given under my hand at Bangalore this twenty second day of March, 1996 (One thousand nine hundred and ninety six).



Here give the name of the Company
as existing prior to the change.

Sd/-
(V Sreenivasa Rao)
Registrar of Companies
Karnataka, Bangalore.

Here give the name of the Act(s) under which the Company was originally registered and incorporated.

**MEMORANDUM OF ASSOCIATION
OF
MAHA RASHTRA APEX CORPORATION LIMITED**

1. The name of the Company is MAHA RASHTRA APEX CORPORATION LIMITED.
2. The registered office of the Company will be situated in the State of Karnataka.
3. The objects for which the Company is established are:
 - (1) The borrowing, raising or taking up of money, the lending or advancing of money either upon or without security; the drawing, making, accepting, discounting, buying, selling, collecting and dealing in bills of exchange, hundies, promissory notes, coupons, drafts, bills of lading, railway receipts, warrants, debentures, certificates, scripts and other instruments and securities whether transferable or negotiable or not; the granting and issuing of letters of credit, travellers' cheques and circular notes; the buying, selling and dealing in bullion and specie; the buying and selling of foreign exchange including foreign bank notes; the acquiring, holding, issuing on commission, underwriting and dealing in stock, bonds, obligations, securities and investments of all kinds; the purchasing and selling of bonds, scripts or other forms of securities on behalf of constituents or others' the negotiating of loans and advances; the receiving of all kinds of bonds, scrips or valuables on deposit or for safe custody or otherwise; the providing of safe deposit vaults; the collecting and transmitting of money and securities.
 - (2) Carrying on and undertaking the business of financiers in all its branches and in particular, the business of financing industrial enterprises and acting as financial consultants, and to subsidise, finance or assist in subsidising or financing the sale and maintenance of any goods, articles or commodities of all and every kind and description upon any terms whatsoever and to purchase or otherwise deal in all forms of movable properties including plant and machinery, equipment, ships, aircrafts, automobiles, computers and all consumer, commercial and industrial items and to undertake the business of hire purchase finance, purchasing, selling, hiring or otherwise dealing with them in any manner whatsoever including sale thereof, whether they be new or old, financing operations and performing financing services including providing long and medium term finance, and/or hire purchase finance to contractors and promoters of building sites, housing sites, flats, shopping complexes, apartments, housing colonies, hospitals, hotels, educational institutions, offices, factories, warehouses, shops, wharfs, building works, etc, financing of projects, exports and imports, acceptance credit, invoice discounting, factoring invoices, debt collection, making of loans, loan syndication both short and long term with provision of financial software such as computer programme to act as debt factoring company and contracting for public and private loans and negotiating and issuing the same.
 - (3) The effecting, Insuring, guaranteeing, underwriting, participating in managing and carrying out of any issue, public or private, of state, municipal, or other loans or of shares, stock, debentures or debenture stock of any company, Corporation or Association and the lending of money for the purpose of any such issue.
 - (4) Carrying on and transacting every kind of guarantee and indemnity business.
 - * (5) Acquiring, holding, dealing with, managing, improving, selling and realising any property of any description whatsoever, including shares, debentures, and other securities in any other Company and any such property which may form the security or part of the security for any loans or advances or which may be connected with any such security or which may come into the possession of the Company in satisfaction or part satisfaction of any of its claims;

- * (6) Undertaking and executing trusts and undertaking the administration of estates as executor, trustees or otherwise;
- (7) Establishing and supporting or aiding in the establishment and support of associations, institutions, funds, trusts and conveniences, calculated to benefit employees or ex-employees of the company or the dependents or connections of such persons; granting pensions and allowances and making payments towards insurance; subscribing to or guaranteeing moneys for charitable or benevolent objects or for any exhibition or for any public, general or useful object.
- (8) The acquisition, construction, maintenance and alteration of and building or works necessary or convenient for the purposes of the Company;
- (9) Selling, improving, managing, developing, exchanging, leasing, mortgaging, disposing or turning into account or otherwise dealing with all or any part of the property and rights of the Company.
- * (10) Acquiring and undertaking the whole or any part of the business of any person or company, whether such business is carried on by the Company or not and to take-over or acquire any other business including export oriented industries.
- (11) Doing all such other things as are incidental or conducive to the promotion or advancement of the business of the Company.
- (12) To amalgamate with any other company having objects altogether or in part similar to those of this company;
- (13) To distribute any of the property of the Company in specie among the members subject to the sanction of the Court;
- (14) To form any subsidiary company or companies of its own for any purpose incidental to the business of the company and in particular for the purpose of undertaking and executing trusts, undertaking the administration of estates as executor, trustee or otherwise, the providing of safe deposit vaults, in conformity with the provisions of law in this behalf for the time being in force.
- * (15) To establish, maintain, conduct, provide, procure or make available services of every kind namely statistical, financial, accounting, legal, secretarial, merchant banking services in all its aspects, underwriting, issue house, Registrars to the issue, share transfer agents, and Portfolio Management Services, Dealers in foreign exchange, Money Changers, and advisory services connected with foreign currency exposure management, syndication of Foreign Currency loans including all kinds of external commercial borrowings, arranging or giving loan/guarantees, Export Credits, Loan/Equity participation from India or outside India, Advising, Counseling of funding options in international capital markets, Marketing and issuing of Euro-Issues, GDRs or other international issues whether Equity, Debt, Bond, Certificates or otherwise, to act as Credit Card organisation and issue Credit Cards and charge cards either directly or as dealer, agents, franchisee for any other organisation including banks whether incorporated in India or abroad, to act as managers to Issue and offers, whether by way of Public offer or otherwise, of shares, stocks, debentures, bonds, units, participation certificates, deposits certificates, notes, bills, warrants or any other instruments whether or not transferable or negotiable, commercial (herein after collectively referred to as the 'securities'), to act as agents of and/or dealers in the securities in the course of Merchant Banking business, to act as discount house for any of the securities, to act as financial consultants, advisors and counselors in investment and capital markets, to underwrite, sub-underwrite or to provide stand-by or procurement arrangements, to issue guarantees or to give any other commitments for subscribing or agreeing to subscribe or procure or agree to procure subscription for the securities, to manage portfolio investments, to form consortia of managers, agents and purchasers, for or of any of the securities, to acquire, hold, sell or otherwise deal in shares, stocks, debentures, debenture stocks, bonds, obligation units and securities and securities issued or guaranteed by any Company constituted or carrying on business in India or elsewhere, or in any foreign country and debentures, debenture

stocks, bonds, obligations and securities issued or guaranteed by any Government specifically including the Government of India and State Government Commissioners, Public Body or authority, national, municipal, local or otherwise whether in India or elsewhere and to undertake and carry on and execute financial operations.

- * (16) To pay all costs, charges and expenses preliminary and incidental to the formation, promotion, registration, or establishment of this or any other Company and the issue of its capital, and to remunerate any person or any company for services rendered or to be rendered in placing or assisting to place or guaranteeing the placing of any of the shares or in debenture or debenture stock or other securities or obligations of the Company, or in or about the promotion, formation or business of the Company, or any other Company wholly or in part by this Company.
- * (17) To carry on the business as selling agents, commission agents, manufacturer's representatives in all branches, buying and selling agents of incorporated companies, firms, and all agency business in all its aspects, factors and financiers, technical, industrial, and recruitment consultants advisers and surveyors of technical know-how, formulae, processes and applied technology and to recruit manpower to organise and pursue Research and Development relating to industries, undertakings, enterprise of any description requiring financial assistance by way of loans and underwriting or subscription of capital from this company, engage in factoring, credit investigation, market investigation, and credit rating including rating of securities, deposits, debentures and other financial instruments and all other areas where credit rating is made mandatory or be made mandatory in future for Companies both in the private and public sectors, firms or other business organisations.
- * (18) To act as Trustees for investors and subscribers and for this purpose to carry on the business of an Investment Trust Company trading in investments, to act as Underwriters, brokers, dealings in Units of Unit Trust, National Savings Certificate, etc., and other securities and to promote, finance and start industries and also to give any guarantee for payment of money or performance of any obligation or underwriting.
- * (19) To carry on the business of stock and share brokers, sub-brokers, Consultants, Registrar and Transfer Agents, Managers, market makers, and Advisors to Right/Public Issue or any other Issue of Capital/Loan/Investment or debentures, securities, units, to act as underwriters, to act as trustees of any deeds, constituting debentures, and other securities, to execute and manage any other trust and exercise the powers of executors, administrators/receivers and custodians.
- * (20) To set up, provide and/or participate in providing venture capital, technology funds or any other funds for seeded capital, risk capital foundation, including giving guarantees or such other financial assistance as may be conducive for development of new enterprises, innovative methods of production and development of existing technology to identify projects, project ideas, to prepare project profiles, project reports, market research, feasibility and viability studies and reports, reinvestment studies and investigation of industries, on micro and macro level, to undertake appropriate service to identify scope or potential for economic and industrial development in any particular geographical areas or location whether in India or abroad, to act as lead managers in respect of project assignments by undertaking follow-up, supervision and co-ordination work at the instance, behest, or on behalf of banks, financial institutions, Companies, bodies corporate and to monitor the same for the participants, to act as an advisor in the management of undertakings, business enterprises, offices, trade occupations, calling or professions by introducing modern methods and techniques and systems, and render all assistance as may be necessary including by acting as agents for recruitment of personnel, technical, skilled, unskilled supervisory managerial or otherwise; and to act as an advisor in the selection of technical process, economic size, sources of plant and machinery and other utilities for business entrepreneurs.
- * (21) To carry on the business as financial advisors and to advise and assist in all financial, costing, accounting, internal control and other similar matters and to advise and assist in the

preparation of all revenue and capital budgets, deployment of funds, long term planning of utilisation of resources for nursing, rehabilitation, renewal, expansion and diversification, procuring bank and institutional finance including cash credit facilities, subscription of debentures and term loans to assess the needs for short and long term credit facilities and raising of resources, to advise and assist in the formulation of internal control procedure and other connected matters; to advise and assist in formulation of internal control procedure for the maintenance and preservation of all assets and preventive procedures and other connected matters, to advise and assist in formulating long term financial policies and control of their execution; and generally to advise and assist in all financial, fiscal and revenue matters.

- * (22) To manage investment pools, mutual funds, syndicate in shares, stocks, securities and finance, to receive money on deposit at interest or otherwise for fixed periods, and to lend money on any terms that may be thought fit and particularly to customers or other persons or corporations having dealing with the Company including housing finance.
- * (23) To undertake and carry on the business as promoters, sponsors, founders, settlers, trustees, or in any other capacity for the purpose of setting up, establishing or sponsoring any mutual funds, money market mutual funds, venture capital funds, and any other funds, investment pools and syndicate in shares, stocks and securities of any description and/or to sponsor mutual funds and to manage the funds of mutual funds, to act as Asset Management Company/ Manager/Fund Manager/Custodians in respect of any scheme of mutual fund whether open-ended or close-ended scheme floated/to be floated by any Trust / Mutual Fund (whether off-shore or on-shore or money market mutual fund)/Company by providing for management of such mutual funds by various avenues like Growth funds, income funds, risk funds, pension/ superannuation funds, etc and generally to provide financial consultancy, Equity Research, Exchange of research and analysis on a commercial basis and/or to be a member or acquire or sponsor dealership or membership or to operate on the stock exchanges in India or the Over the Counter Exchange of India (OTCEI) or the National Stock Exchange of India Ltd as dealer/member/broker/sub-broker or any financial intermediary and in any other business for which the authorisation/approval/permission/license is obtained from the Securities and Exchange Board of India (SEBI) or any other appropriate authority.
- * (24) To carry on the business of custodians, safe keepers, protectors, depository agencies, executors, trustees, agents, safe deposit vaulters, and/or carry on the business of keeping in safe custody or deposit any monies, shares, securities, properties, articles and other valuable things or matters on behalf of any person including foreign investors, mutual funds, venture capital funds, portfolio managers, companies or institutions.
- * (25) To establish, conduct, manage and carry on the business of hotel, restaurant, cafe, tavern, tea rooms, milk and snack bars, beer-house, Motel, refreshment room, boarding and lodging house, departmental stores, sales rooms and depots for the sale of bread, biscuits and other bakery products, tea, coffee, cocoa, milk, aerated and mineral waters, cordials, tobacco, cigars, cigarettes, confectionery, cakes, buns, table delicacies and other provisions, foods or drinks, licenced victualers, wine, beer, and spirit merchants and to enter into partnership, joint venture, or arrangements with others, whether in India or abroad, for the purpose of establishment, management or conduct of hotels, motels, restaurants, cafes, taverns, lodging houses or for the management of any of such establishments or places aforesaid belonging to the Company or where any of the business aforesaid of the Company are conducted and carried on.

AND IT IS HEREBY DECLARED that in the interpretation of this clause the meaning of the Company's objects shall not be restricted by a reference to any other object or by the juxtaposition of two or more objects and that in the event of any ambiguity, the clause shall not be considered in such a way as to widen and not to restrict the powers of the Company.

- * **Amended vide resolution passed at the 53rd Annual General Meeting of the Company held on 6th September, 1996 and confirmed by the Company Law Board - vide Company Petition No. 955/17/SRB/96 and its order dated 28th February, 1997.**

- (26) To carry on the business to establish, maintain, conduct, provide, procure or render infotech services of every kind in the field of commercial, educational, banking & finance, engineering, medical, advertising, management and make available communication services including e-mail, internet, cyber café, electronic funds transfer, internet banking, cellular & mobile phones and design & develop software either directly or in association with other organisations on suitable understanding or on agency or on franchisee from them and to undertake all kinds of management services in the above fields.
 - (27) To Carry on the business of manufacture, maintain export, import, buy, sell, rent, hire or lease or other-wise acquire, dispose of, develop or deal in all kinds of digital systems, communication systems, computers, computer software & hardware and all types of electrical, electronic, infotech and telecom equipments and accessories necessary for attaining the above object.
 - (28) To establish, maintain, training institutions in the field of information technology including transaction processing, accounting services, call centre services, e-commerce, Web content, web portal, business applications, data warehousing and data mining.
 - (29) To act as accredited registrars for domain name registration and register .com, .net and .org names in the registry for internet users.”
4. The liability of members is limited.
- (a) The Authorised Share Capital of the Company is Rs.40,00,00,000/- (Rupees forty crores) divided into 2,00,00,000 (Two crores) Equity Shares of Rs.10/- (Rupees ten) each and 2,00,00,000 (Two Crores) Redeemable Cumulative Preference Shares of Rs.10/- (Rupees ten) each, with power to increase or reduce the capital of the Company and to divide the shares in the Capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify, amalgamate or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the Articles of Association of the Company.
 - (b) The company shall have the power to increase or reduce the share capital and to issue all or any part of its capital, original or increased with or without any preference, priority or privileges and to vary or modify the privileges attaching to any class of shares.

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

Nos.	Names, Addresses & Descriptions of Subscribers	No. of Shares taken	Signature of Subscribers	Witness to Signatures
1.	P Padmanabha Rao Maruthi St., Udupi Vakil	One hundred (100) Ordinary	Sd/ P Padmanabha Rao	Sd/- U K Kini Deputy Manager The Canara Mutual Assurance Co.Ltd Udupi
2.	T Raghunath Ananth Pai Canara Mutual Building Udupi Managing Director The Canara Mutual Assurance Co.Ltd.	One hundred (100) Ordinary	Sd/- T R A Pai	
3.	Krishna V Shenoy "Mukunda Nivas" Udupi Secretary The Canara Industrial & Banking Syndicate Ltd	One hundred & Fifteen (115) Ordinary	Sd/- K V Shenoy	Sd/- B S Nayak Office Manager The Canara Industrial & Banking Syndicate Ltd., Udupi
4.	T Madhava Pai Manipal, S. Kanara Regd. Medical Practitioner	Seven Thousand (7000) Ordinary	Sd/- T M A Pai	
5.	Shrinivas Madhav Kini 134, Meadows Street Fort, Bombay Chartered Engineer & Architect	Five Hundred (500) Ordinary	Sd/- S M Kini	Sd/- H R Rao Bank Agent Post Box 196 Bombay
6.	A Lakshminarayana Rao Lakshmi Nivas" Udupi Advocate	Five Hundred (500) Ordinary	Sd/- A Lakshminarayana Rao	Sd/- M S Bhandary Recovery Officer The Canara Industrial & Banking Syndicate Ltd. Udupi.
7.	Laxman Hanumantha Prabhu, "Shanthi Vihar" Honavar Pleader	Three Thousand (3000) Ordinary	Sd/- L H Prabhu	Sd/- K L N Hegde Secretary Prabhakar Press Ltd., Udupi

8.	B Ramanath Nayak Land Lord BASRUR S K Land Lord	Five Hundred & Sixteen (516) Ordinary	Sd/- R N Basrur	Sd/- K V Kamath Bank Agent "Mukund Nivas" Udupi
9.	Bailur Rama Rau Manjunath Shanbhogue Gangulli (S K) Merchant	Three Thousand (3000) Ordinary	Sd/- Bailur Rama Rau	Sd/- W P D'Souza Bank Agent Car Street Mangalore
Total Share Taken		Fourteen Thousand Eight Hundred and Thirty one Ordinary Shares		
Dated 23 nd day of April, 1943				

THE COMPANIES ACT, 2013
COMPANY LIMITED BY SHARES

(INCORPORATED UNDER THE COMPANIES ACT, 1913)

ARTICLES OF ASSOCIATION
OF
MAHA RASHTRA APEX CORPORATION LIMITED

The following regulations comprised in these Articles of Association were adopted pursuant to members' resolution passed at the Annual General Meeting held on September 29, 2016 in substitution for and to the entire exclusion of, the regulations contained in the existing Articles of Association of the Company.

I. PRELIMINARY

Subject as hereinafter provided, the regulations contained in Table "F" in Schedule I to the Companies Act, 2013 shall apply to Maha Rashtra Apex Corporation Limited (the "Company") and constitute its regulations ("Regulations"), except in so far as they are hereinafter expressly excluded, modified or varied.

II. INTERPRETATION AND DEFINITIONS

1) Interpretations—

- a. unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these Articles become binding on the Company;
- b. words importing the singular number only include the plural number and vice versa and words importing the masculine gender also includes feminine gender; and
- c. The headings are inserted for convenience and shall not affect the construction hereof.

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

- a. "Act" means the Companies Act, 2013, as amended, read with the relevant rules made thereunder including any provisions of the Companies Act, 1956 which may be in force as on date. If the sections and rules referred to in the Articles of Association are amended, the Articles of Association will be read together with the amended provision(s) and the provision(s) of the amendment(s) shall prevail;
- b. "Articles" means these Articles of Association of the Company, as altered from time to time;
- c. "Board" or "Board of Directors" means the Board of Directors of the Company;
- d. "Director" means a Director appointed to the Board of the Company;
- e. "Financial Indebtedness" shall have the meaning provided to it under the Investment Agreement;
- f. "Investment Agreement" means the Investment Agreement dated September 3, 2015 executed by and amongst the Company, Kurlon Enterprise Limited, Kurlon Limited, T. Sudhakar Pai, the Investors, Metropolis Builders Private Limited and Manipl Holding Private Limited and shall include any amendments to the same;
- g. "Investors" means India Business Excellence Fund-II, a company incorporated under the Companies Act, 1956 and having its registered office at 10th Floor, Motilal Oswal Tower, Junction of Gokhale Road & Sayani Road, Prabhadevi, Mumbai - 400025 and India Business Excellence Fund-IIA, a company established under the laws of Mauritius, having its registered office at Suite 304, Third Floor, NG Tower, Cyber city, Ebene, Mauritius;

- h. "Managing Director" means an individual as defined under Section 2 (54) of the Act;
- i. "Memorandum" means the memorandum of association of the Company as amended from time to time;
- j. "Shares" means equity shares of face value of Rs. 10/- (Rupees 10/- each) in the capital of the Company;
- k. "Preference Shares" means preference shares as defined in Section 43 of the Act;
- l. "Shareholders" or "members" mean the duly registered holders from time to time of the Shares of the Company; and
- m. "The Seal" means the common seal of the Company.

III. PUBLIC COMPANY

Company is the public limited company within the meaning of section 2(71) of the Companies act, 2013 and is having such Minimum Paid up share capital of Rs. 5,00,000/- (Rupees Five Lakhs only) or such higher amount as may be prescribed.

IV. SHARE CAPITAL AND VARIATION OF RIGHTS

- 3) a. The authorized share capital of the Company shall be such amount and be divided into such shares as may from time to time be provided in Clause V of the Memorandum, payable in the manner as may be determined by the Board, from time to time. Any power of the Board, to classify, reclassify, increase, reduce, sub-divide or to repay the same or divide the same into several classes, and to attach thereto any rights, privileges or conditions or to consolidate or subdivide or reorganize the shares, subject to the provisions of the Act, and to vary such rights as may be determined in accordance with these Articles and permissible by law, shall be exercised by the Board only with the prior consent of the Investors in accordance with the Investment Agreement.
- b. The Company may issue the following kinds of shares in accordance with the Articles, the Act, the Rules and other Applicable Law namely:—
 - I. equity share capital - with voting rights; or with differential rights as to dividend, voting or otherwise in accordance with such rules as may be prescribed;
 - ii. preference share capital; and
 - iii. Any other kind that may be permissible under the Act.
- 4) Subject to the provisions of the Act and these Articles and the Investment Agreement, the shares in the capital of the Company shall be under the control of the Board of Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit, with the prior written consent of the Investors. Subject to the provisions of the Act and these Articles and the Investment Agreement, the Board may issue and allot shares in the capital of the Company on payment in full or part of any property or assets sold and transferred or for any services rendered to the Company in the conduct of its business and any shares which may be so allotted may be issued as fully paid-up shares or partly paid-up shares otherwise than for cash, and if so issued, shall be deemed to be fully paid-up shares or partly paid-up, as the case may be.
- 4) a. Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided,—
 - i. one certificate for all his shares without payment of any charges; or
 - ii. Several certificates, each for one or more of his shares, upon payment of twenty rupees

for each certificate after the first.

- b. Every certificate shall be under the Seal and shall specify the shares to which it relates and the amount paid-up thereon.
 - c. In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
- 5) a. If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.
- b. The provisions of Articles (5), (6) and (7) shall mutatis mutandis apply to debentures of the Company.
- 7) Except as required by law, no person shall be recognized by the company as holding any share upon any trust, and the Company shall not be bound by, or be compelled in any way to 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 (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
- 8) a. the company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate percent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made there under.
- b. The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.
- c. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other.
- 9) a. Subject to the provisions of these Articles and the Investment Agreement, if at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, 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.
- b. 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.
- 10) 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.
- 11) Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

V. LIEN

- 12) a. the company shall have a first and paramount lien—
- I. 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
 - II. on all shares (not being fully paid shares) standing registered in the name of a single person, 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.
- b. The Company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.
- 13) The Company may sell, in such manner as the Board thinks fit ,any shares on which the Company has a lien:
- Provided that no sale shall be made-
- I. unless a sum in respect of which the lien exists is presently payable; or
 - II. until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.
- 14) a. To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser there of.
- b. The purchaser shall be registered as the holder of the shares comprised in any such transfer.
- c. 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 in validity in the proceedings in reference to the sale.
- 15) a. 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.
- b. 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.

VI. CALLS ON SHARES

- 16) a. The Board may ,from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:
- Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.
- b. 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.
- c. A call may be revoked or postponed at the discretion of the Board.
- 17) A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by installments.

- 18) The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
- 19) a. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten percent. per annum or at such lower rate ,if any, as the Board may determine.
b. The Board shall be at liberty to waive payment of any such interest wholly or in part.
- 20) a. 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 regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
b. In case of non-payment of such sum, all the relevant provisions of these regulations 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.
- 21) The Board-
 - i. May ,if it thinks fit ,receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and
 - ii. 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 not exceeding, unless the company in general meeting shall otherwise direct, twelve percent per annum, as may be agreed upon between the Board and the member paying the sum in advance.
 - iii.

VII. TRANSFER OF SHARES

- 22) Mr. Sudhakar Pai and Mrs. Jaya Pai shall not be entitled to sell any shares held by them in the Company, without obtaining the prior written consent of the Investors, subject to Article 24 below and Section 18.1(i) of the Investment Agreement.
- 23) Inter-se transfers between Mr. Sudhakar Pai and Mrs. Jaya Pai of shares held by them in the Company (“Promoter Shares”), is permitted without obtaining consent from the Investors, in accordance with the terms of the Investment Agreement provided that Mr. Sudhakar Pai and Mrs. Jaya Pai shall collectively at all times hold at least 51% of the share capital of the Company.
- 24) The Company shall not sell any Securities (as defined in the Investment Agreement) in Kurlon limited except to the extent permitted under Section 18.1(i) of the Investment Agreement.
- 25) a. The instrument of transfer of any share in the Company shall be executed by or on behalf of both the transferor and transferee.
b. The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
- 26) The Board may, subject to the right of appeal conferred by section58decline to register—
 - i. the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
 - ii. Any transfer of shares on which the company has a lien.
- 27) The Board may decline to recognize any instrument of transfer unless—
 - i. The instrument of transfer is in the form as prescribed in rules made under sub-section(1)of section56;

- ii. the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
 - iii. The instrument of transfer is in respect of only one class of shares.
- 28) The Board shall not register any transfer of shares which are in violation of the provisions of these Articles or the Investment Agreement and shall not recognize as a shareholder or owner of shares or securities, nor accord any rights to the purported transferee of any securities, which are in violation of the provisions of these Articles or the Investment Agreement.
- 29) On giving not less than seven days' previous notice in accordance with section 91 and rules made there under, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

VIII. TRANSMISSION OF SHARES

- 30) a. On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognized by the Company as having any title to his interest in the shares.
- b. Nothing in Article 28 (a) 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.
- 31) a. Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as herein after provided, elect, either-
- i. to be registered himself as holder of the share; or
 - ii. to make such transfer of the shares as the deceased or insolvent member could have made.
- b. The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.
- 32) a. 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.
- b. If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
- c. All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.
- 33) A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may there after 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.**

IX. FORFEITURE OF SHARES

- 34) If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.
- 35) The notice aforesaid shall-
- i. 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
 - ii. State that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.
- 36) If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.
- 37) a A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
- At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
- 38) a. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares.
- b. The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares.
- 39) a. A duly verified declaration in writing that the declarant is a director, the manager or the 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;
- b. The Company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;
- c. The transferee shall thereupon be registered as the holder of the share; and
- d. 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 or disposal of the share.
- 40) 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, as if the same had been payable by virtue of a call duly made and notified.

X. ALTERATION OF CAPITAL

- 41) Subject to the provisions of these Articles and the Investment Agreement, the Company may, from time to time in its general meeting, by ordinary resolution, increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution, after obtaining the prior written consent of the Investors.
- 42) Subject to the provisions of these Articles and the Investment Agreement and section 61, the Company may, by ordinary resolution,—

- I. consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
 - ii. convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
 - iii. sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
 - iv. Cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.
- 43) Where shares are converted into stock,-
- i. The holders of stock may transfer the same or any part thereof in the same manners, and subject to the same regulations under which, the shares from which the stock arose might be for the conversion have been transferred, or as near there to 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;
 - ii. 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;
 - iii. Such of the regulations of the Company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those regulations shall include "stock" and "stock-holder" respectively.
- 44) Subject to the provisions of these Articles and the Investment Agreement, the Company may, by special resolution, reduce in any manner and with, and subject to, any incident authorized and consent require by law,-
- i. its share capital, with the prior written consent of the Investors;
 - ii. any capital redemption reserve account; or
 - iii. any share premium account.

XI. CAPITALISATION OF PROFITS

- 45) a. The Company in general meeting may, upon the recommendation of the Board, resolve—
- i. that it is desirable to capitalize 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
 - ii. That such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- b. The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause(iii), either in or towards-
- i. paying up any amounts for the time being unpaid on any shares held by such members respectively;
 - ii. paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid

- iii. partly in the way specified in sub-clause (A) and partly in that specified in sub- clause (B);
 - iv. a securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares;
 - v. the Board shall give effect to the resolution passed by the Company in pursuance of this regulation.
- 46) a. Whenever such a resolution as aforesaid shall have been passed, the Board shall-
- i. make all appropriations and applications of the undivided profits resolved to be capitalized thereby, and all allotments and issues of fully paid shares if any; and
 - ii. Generally do all acts and things required to give effect thereto.
- b. The Board shall have power-
- i. to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and
 - ii. to authorize any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalization, or as the case may require, for the payment by the Company on their behalf, by the application there to of the irrespective proportions of profits resolved to be capitalized, of the amount or any part of the amounts remaining unpaid on their existing shares;
- c. Any agreement made under such authority shall be effective and binding on such members.

XII. BUY-BACK OF SHARES

- 47) Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities.

XIII. GENERAL MEETINGS

- 48) A general meeting of the Company may be called by giving not less than twenty one days' notice in writing, but may be called after giving shorter notice if consent is accorded by members of the Company, as per the provisions of the Act. All general meetings other than annual general meeting shall be called extra ordinary general meeting.
- 49) a. The Board may, whenever it thinks fit, call an extra ordinary general meeting.
- b. 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 extra ordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

XIV. PROCEEDINGS AT GENERAL MEETINGS

- 50) a. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.
- b. Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.
- 51) The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the Company.

- 52) 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.
- 53) 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.

XV. ADJOURNMENT OF MEETING

- 54)
 - a. The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.
 - b. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
 - c. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
 - d. Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or the business to be transacted at an adjourned meeting.

XVI. VOTING RIGHTS

- 55) Subject to any rights or restrictions for the time being attached to any class or classes of shares,-
 - i. On a show of hands, every member present in person shall have one vote; and
 - ii. 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.
- 56) A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
- 57) A In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.
 - b. For this purpose, seniority shall be determined by the order in which the names stand in the register of members.
- 58) 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.
- 59) Any business other than that upon which a poll has been demanded may be preceded with, pending the taking of the poll.
- 60) 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.
- 61)
 - a. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.
 - b. Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

XVII. PROXY

- 62) The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarized 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.

- 63) An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
- 64) A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

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

XVIII. BOARD OF DIRECTORS

- 65) The business of the Company shall be managed by the Board and may exercise all such powers of the Company as are not restricted 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 any regulations of these Articles, to the provisions of the Act, and to such regulations being not inconsistent with the aforesaid regulations or provisions as may be prescribed by the Company in general meeting. Nothing shall invalidate any prior act of the Board, which would have been valid if that regulation had not been made.
- 66) The number of Directors shall not be less than two and not more than fifteen.
- 67) a. The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.
- b. In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them—
- i. In attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the Company; or
 - ii. in connection with the business of the Company.
- 68) The Board may pay all expenses incurred in getting up and registering the Company.
- 69) The Company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit with respect to keeping of any such register.
- 70) All cheques, promissory notes, drafts, hundis, 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.
- 71) Every director present at any meeting of the Board or of a committee hereof shall sign his name in a book to be kept for that purpose.
- 72) a. Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.
- b. Such person shall hold office only up to the date 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.

XIX. MANAGING DIRECTOR OR WHOLE-TIME DIRECTOR

- 73) a. The Board may, from time to time, subject to the provisions of section 196 of the Act, appoint one or more of their body to the office of the managing director and/ or whole-time director 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. This appointment will be automatically terminated if such managing director or whole-time director ceases to be a Director.
- b. A managing or whole-time Director may be paid such remuneration (whether by way of salary, commission or participation in profits or partly in one way and partly in other) as the Board may determine
- c. The Board subject to Section 179 of the Act, may entrust to and confer upon a managing or whole-time Director any of the powers exercisable by them, upon such terms and conditions and with such restrictions, as they may think fit and either collaterally with or to the exclusion of their own powers and may, from time to time, revoke, withdraw or alter or vary all or any of such powers.

I. PROCEEDINGS OF THE BOARD

- 74) a. The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.
- b. A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.
- 75) a. Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
- b. In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.
- 76) 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 for 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.
- 77) a. The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.
- b. If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their numbers to be Chairperson of the meeting.
- 78) a. 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.
- b. 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.
- 79) a. A committee may elect a Chairperson of its meetings.
- b. If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.
- 80) a. A committee may meet and adjourn as it thinks fit.
- b. Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.

- 81) 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 may be 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 or such person had been duly appointed and was qualified to be a director.
- 82) Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and

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

- 83) 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 a resolution of the Board;
 - ii. A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.
- 84) A provision of the Act or these regulations requiring or authorizing 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 the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

XXII. COVENANT

- 85) The Company shall not incur any Financial Indebtedness without the prior written consent of the Investors.

XXIII. THE SEAL

- 86) a. The Board shall provide for the safe custody of the Seal.
- b. The Seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two Directors and of the secretary or such other person as the Board may appoint for the purpose; and those two Directors and the secretary or other person aforesaid shall sign every instrument to which the Seal of the Company is so affixed in their presence.

XXIV. DIVIDENDS AND RESERVE

- 87) The Company in general meeting may declare dividends, but no dividends shall exceed the amount recommended by the Board.
- 88) Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the Company.
- 89) a. The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such 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.

- b. The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
- 90) a. 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 where of the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.
- b. 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
 - c. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.
- 91) The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.
- 92) a. Any dividend, interest or other monies payable in cash in respect of shares may be paid 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.
- b. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
- 93) Any one of two or more joint holders of a share may give effective receipts for any dividends bonuses or other monies payable in respect of such share.
- 94) Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.
- 95) No dividend shall bear interest against the Company.

XXV. ACCOUNTS

- 96) a. The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection of members not being directors.
- b. No member (not being a director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorized by the Board or by the Company in general meeting.

XXVI. WINDING-UP

- 97) Subject to the provisions of these Articles, Chapter XX of the Act and rules made there under-
- 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.
 - ii. For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.
 - 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 where on there is any liability.

XXVII. INDEMNITY

- 98) Every officer of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

Nos.	Names, Addresses & Descriptions of Subscribers	No. of Shares taken	Signature of Subscribers	Witness to Signatures
1.	P Padmanabha Rao Maruthi St., Udupi Vakil	One hundred (100) Ordinary	Sd/ P Padmanabha Rao	Sd/- U K Kini Deputy Manager The Canara Mutual Assurance Co.Ltd Udupi
2.	T Raghunath Ananth Pai Canara Mutual Building Udupi Managing Director The Canara Mutual Assurance Co.Ltd.	One hundred (100) Ordinary	Sd/- T R A Pai	
3.	Krishna V Shenoy "Mukunda Nivas" Udupi Secretary The Canara Industrial & Banking Syndicate Ltd	One hundred & Fifteen (115) Ordinary	Sd/- K V Shenoy	Sd/- B S Nayak Office Manager The Canara Industrial & Banking Syndicate Ltd., Udupi
4.	T Madhava Pai Manipal,S.Kanara Regd. Medical Practitioner	Seven Thousand (7000) Ordinary	Sd/- T M A Pai	
5.	Shrinivas Madhav Kini 134, Meadows Street Fort, Bombay Chartered Engineer & Architect	Five Hundred (500) Ordinary	Sd/- S M Kini	Sd/- H R Rao Bank Agent Post Box 196 Bombay
6.	A Lakshminarayana Rao Lakshmi Nivas" Udupi Advocate	Five Hundred (500) Ordinary	Sd/- A Lakshminarayana Rao	Sd/- M S Bhandary Recovery Officer The Canara Industrial & Banking Syndicate Ltd. Udupi.
	Laxman Hanumantha Prabhu, "Shanthi Vihar" Honavar Pleader	Three Thousand (3000) Ordinary	Sd/- L H Prabhu	Sd/- K L N Hegde Secretary Prabhakar Press Ltd., Udupi

8.	B Ramanath Nayak Land Lord BASRUR S K Land Lord	Five Hundred & Sixteen (516) Ordinary	Sd/- R N Basrur	Sd/- K V Kamath Bank Agent "Mukund Nivas" Udupi
	Bailur Rama Rau Manjunath Shanbhogue Gangulli (S K) Merchant	Three Thousand (3000) Ordinary	Sd/- Bailur Rama Rau	Sd/- W P D'Souza Bank Agent Car Street Mangalore
Total Share Taken		Fourteen Thousand Eight Hundred and Thirty one Ordinary Shares		
Dated 23 nd day of April, 1943				