



No 1219  
28.6.46

Rs one hundred of  
Satham Agencies Ltd. Madras.  
D. S. Narayanaiah  
S. V. Chinn. Bangalore.



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ARTICLES OF ASSOCIATION

~~VIRUDHUNAGAR COTTON TEXTILES LIMITED~~  
~~SOUTH INDIA TEXTILES LIMITED~~  
~~VIRUDHUNAGAR TEXTILE MILLS LIMITED~~  
CONSTITUTION OF THE COMPANY

1. Except as provided in S. 17 of the Indian Companies Act the regulations contained in Table 'A' in the First Schedule to the Act shall not apply to the Company except so far as they are embodied in the following articles; which shall be the ~~regulations~~ for the management of the Company. Constitution.

INTERPRETATION CLAUSE

2. The marginal notes hereto shall not affect the construction hereof. In these presents the following words and expressions shall have the following meanings, unless excluded by the subject or context:— Interpretation.

— "The Act" means the Indian Companies Act, 1913, and every ~~Indian Companies~~ Act for the time being in force concerning Joint Stock Companies. Amendment

"The Company" shall mean ~~VIRUDHUNAGAR COTTON TEXTILES~~ ~~SOUTH INDIA TEXTILES~~ VIRUDHUNAGAR TEXTILE MILLS LIMITED. MILLS LIMITED.

"The Seal" shall mean the Common Seal of the Company approved by the Directors from time to time.

"The Directors" shall mean the Directors for the time being of the Company whether in a meeting assembled or not.

"Dividend" includes bonus.

"(Extraordinary Resolution)" shall have the meaning assigned thereto by Section 81 of the Act.

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**ROC  
DOCUMENT**

The name of the Company has been  
changed U/S 21 of CA 1956 to  
**VIM LIMITED**  
vide approval No. 3270/S.21/2004  
dated 18.11.04. wef. 8.11.2004  
Asst. Registrar of Companies  
Chennai

No. of Co. 109. 1946-1947  
Name of Co. Vandhu Nagar  
Textile Limited  
Name of document Articles of  
Association  
Serial No. 2/1647  
Registration 27.7.46  
Date of                       
Filing                       
Asst. Registrar.



*[Handwritten initials]*

"In writing" includes printing, lithography, typewriting and any other usual substitute for writing.

"Member" shall mean Member of the Company holding share or shares of any class.

"Month" shall mean an English Calendar month.

"Paid up" shall include "Credited as paid up."

"Person" shall include partnership, association, corporation, Company, as well as individual.

"The Register" shall mean the Register of members to be kept as required by Section 81 of the Act.

"Special Resolution" shall have the meaning assigned thereto by Section 81 of the Act.

Words importing the singular shall include the plural and words importing the plural shall include the singular.

Words importing the masculine gender shall include the feminine gender and vice versa.

**COMMENCEMENT OF BUSINESS**

3. The Company shall not commence business or exercise any borrowing powers until the requirements of Section 103 of the Act shall have been complied with.

Commencement of business.

**MINIMUM SUBSCRIPTION**

4. The minimum subscription on which the Directors may proceed to allotment is shares of the face value of Rs. 5 lakhs in shares of any

Minimum Subscription.

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**SHARES**

Capital.

5. The Capital of this Company is Rs. 60,00,000 divided into 22,600 Preference Shares of Rs. 100 each; 72,000 Ordinary Shares of Rs. 50 each; and 40,000 Deferred Shares of Rs. 5 each. The rights and privileges of each of the aforesaid class of shares shall be as follows:—

- (a) The preference shares, shall, subject hereinafter provided, confer on the holders the right out of the profits of the Company which it shall be determined to distribute in dividend to a fixed cumulative preferential dividend at the rate of 5 (Five) per cent per annum on the capital for time being paid thereon respectively to be calculated from the date of respective allotment; and the right in a winding up to payment of capital and arrears of dividend whether declared or undeclared up to the commencement of the winding up in priority to the ordinary and deferred shares but shall not confer any further right to participate in profits or assets.
- (b) Subject as aforesaid, the ordinary shares shall confer on the holders the right out of profits of each year in which it shall be determined to distribute a dividend to a non-cumulative dividend for such year at the rate of ten per cent per annum on the capital for the time being paid up or credited as paid up thereon respectively, and shall rank as regards such dividend next after the said preference shares.
- (c) Subject as aforesaid, the deferred shares shall confer on the holders the right out of the profits of each year in which it shall be determined to distribute a dividend to a non-cumulative dividend for such year at the rate of ten per cent per annum on the capital for the time being paid up thereon respectively.
- (d) Sub-Clause (b) and (c) of this clause shall be deemed to confer upon the holders of ordinary and deferred shares respectively the right to dividend at the rates respectively specified so far as profits are available for payment thereof; but shall not be deemed to preclude such holders from receiving dividends at a lower rate if the profits shall be insufficient to pay dividends at the specified rates.
- (e) Subject as aforesaid, any profits which it may at any time be determined to distribute amongst the members shall be divided by way of additional dividend as to fifty per cent thereof between the holders of the ordinary shares in proportion to the amounts paid up or credited as paid up thereon respectively, and as to the other fifty per cent thereof between the holders of the deferred shares, according to the number of deferred shares held by them respectively.
- (f) Subject to the rights of the holders of the preference shares as aforesaid any surplus assets in a winding up, after paying off the capital paid-up on the ordinary shares and the deferred shares ratably shall be divided as to fifty per cent thereof between the holders of the ordinary shares in proportion to the ordinary shares held by them respectively, and as to the other fifty per cent thereof between the holders of the deferred shares in proportion to the deferred shares held by them respectively, and in each case according to the amounts paid-up or credited as paid-up on such ordinary shares and deferred shares respectively at the commencement of the winding up.

6. Without prejudice to any special rights or restrictions previously conferred on the holders of any shares or class of shares already issued, any share in the Company (whether forming part of the original capital or not) may be issued with preferred, deferred or other special rights, privileges, liabilities, conditions or restrictions, whether in regard to dividend, return of capital, voting rights, transfer, forfeiture or otherwise as the Company may from time to time determine by special resolution.

tion and any preference share may with the sanction of a special resolution be issued on the terms that it is or at the option of the Company is liable to be redeemed.

7. On the issue of any redeemable preference shares, the following provisions shall be applicable to them:—

Redeemable  
preference shares.

- (a) No such shares shall be redeemed except out of the profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purposes of the redemption or out of the sale proceeds of any property of the Company;
- (b) No such shares shall be redeemed unless they are fully paid;
- (c) Where any such shares are redeemed otherwise than out of the proceeds of a fresh issue there shall out of profits which would otherwise have been available for dividend be transferred, to a Reserve Fund to be called "The Capital Redemption Reserve Fund" a sum equal to the amount applied in redeeming the shares and the provisions of the Act relating to the reduction of the share capital of a Company shall except as provided under Section 105-B of the Act or herein apply as if the Capital redemption Reserve Fund were paid-up share capital of the Company;
- (d) Where any such shares are redeemed out of the proceeds of a fresh issue the premium if any payable on redemption must have been provided for out of the profits of the Company before the shares are redeemed;
- (e) Subject to the provisions of Section 105-B of the Act and this Article the redemption of Preference Shares hereunder may be effected in accordance with the terms and conditions of their issue and failing that in such manner as the Directors may think fit.

8. Subject to the provisions of this Act and these presents, the shares in the capital of the Company shall be under the control of the Directors who may allot, grant option over or otherwise dispose of the same at such times and to such persons and in such manner and upon such terms as they may think proper and they may make arrangements on the issue of any shares for a difference between the holders of such shares in the amounts of calls to be paid and the time of payment of such calls.

Allotment o

9. The rights attached to any class of shares (unless otherwise provided by the terms of the issue of the shares of that class) may, subject to the provisions of Section 66-A of the Act, 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 an Extraordinary resolution passed at a separate General Meeting of the holders of the shares of that class. To every such separate General Meeting the provisions of these Articles relating to General Meetings shall *mutatis mutandis* apply, but so that the necessary quorum shall be two persons at least holding or representing by proxy one-third of the issued shares of the class.

Variation of rights.

10. The Company may at any time pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares, debentures or debenture-stock of the Company or procuring or agreeing to procure subscriptions (whether absolute or conditional) for shares, debentures or debenture-stock of the Company but so that if the commission in respect of shares shall be paid or payable out of the capital the statutory conditions and requirements shall be observed and complied with and the amount or rate of commission shall not exceed 5 per cent of the nominal amount on the shares, debentures or debenture-stock in each case subscribed or to be subscribed. The commission may be paid or satisfied in cash or in shares, debentures or debenture-stock of the Company.

Commission for  
placing shares.

11. The joint-holders of a share or shares shall be severally as well as jointly liable for the payment of all instalments and calls due in respect of such share or shares.

Liability of joint  
holders of shares.

Trusts not recognised.

12. Save as herein otherwise provided, the Company shall be entitled to treat the registered 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 statute required, be bound to recognise any equitable or other claim to or interest in such share on the part of any other person.

Issue other than for cash.

13. The Directors may allot and issue shares in the Capital of the Company as payment or part payment for any property sold or goods transferred or machinery or appliances supplied, or for services rendered to the Company in or about the formation or promotion of the Company or the acquisition and/or conduct of its business; and any shares which may be so allotted, may be issued as fully paid-up shares and if so issued shall be deemed to be fully paid-up shares and as regards all allotments, from time to time made the Directors shall duly comply with Section 104 of the Act.

Acceptance of shares.

14. An application signed by or on behalf of the Applicant for shares in the Company, followed by an allotment of any shares therein, shall be acceptance of share within the meaning of these articles and every person who thus or otherwise accepts any shares and whose name is on the Register shall for the purpose of these Articles be a shareholder.

Members' right to shares.

15. Every person whose name is entered as a member in the Register of Members shall, without payment, be entitled to a certificate under the Common Seal specifying the share or shares held by him and the amount paid-up 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 certificate for the share to one of several joint-holders shall be sufficient delivery to all.

As to issue of new certificate in place of one defaced, lost or destroyed.

16. If any certificate be worn out, defaced, destroyed or lost or if there is no further space on the back thereof for endorsement of transfer it may be renewed or replaced on payment of such sum not exceeding one rupee as the Directors may from time to time prescribe. Provided however that such new certificate shall not be granted except upon delivery up of the worn out or defaced or used-up certificate for the purpose of cancellation or upon proof of destruction or loss to the satisfaction of the Directors and on such indemnity as the Directors deem adequate in the case of the certificate having been destroyed or lost. Any renewed certificate may be as such.

Company's shares not to be purchased.

17. Except to the extent permitted by Section 54-A of the Act, no part of the funds of the Company shall be employed in purchase of, or in loans or advances upon the security of the Company's shares.

#### LIEN

Company's lien on shares.

18. The Company shall have a first and paramount lien upon all the shares (including fully paid shares) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for his debts, liabilities and engagements solely and jointly with any other person to or with the Company whether the period for the payment, fulfilment or discharge thereof shall have actually arrived or not and such lien shall extend to all dividends from time to time declared in respect of such shares. The Directors may, however, at any time declare any share to be wholly or partly exempt from the provisions of this article.

As to enforcing lien by sale.

19. The Company shall be entitled to give effect to such lien by sale or forfeiture and re-issue of the shares subject thereto, or by retaining all dividends and profits in respect thereof, or by any combination of the said means or in such manner as the Directors may think fit; but no sale or forfeiture shall be made until such period as aforesaid shall have arrived and until notice in writing of the intimation to sell or forfeit shall have been served on such member, his executors or administrators and default shall have been made by him or them in the payment-fulfilment or discharge of such debts, liabilities or engagements for seven days after such notice.

Application of proceeds of sale.

20. The net proceeds of the sale shall be applied in or towards payment of the amount in respect of which the lien exists and (subject to a

like lien for sums not presently payable as existed upon the shares prior to the sale) the residue shall be paid to the person 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.

#### CALLS

21. The Directors may from time to time make such calls as they think fit upon the members in respect of all moneys unpaid on the shares held by them respectively, and not by the conditions of allotment thereof, made payable at fixed times, and each member shall pay the amount of every call so made on him to the persons and at the time and places appointed by the Directors. A call may be made payable by instalments.

Calls.

- (a) A call shall be deemed to have been made when the resolution of the Directors authorising such calls was passed.
- (b) Fifteen days' notice of any call shall be given specifying the time and place of payment, and to whom such call shall be paid.
- (c) The Directors may from time to time at their discretion extend the time fixed for payment of any call, to all or any of the members whom, by reason of residence at a distance or other cause the Directors may deem fairly entitled to such extension; but no member shall be entitled to such extension save as a matter of grace or favour.

22. If a sum called in respect of the shares is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest upon the sum at the rate fixed by the Directors not exceeding 9 per cent per annum from the day appointed for the payment thereof to the time of the actual payment, but the Directors shall be at liberty to waive payment of that interest, wholly or in part.

When interest on call payable.

22. (a) On the trial or hearing of any action for the recovery of any money due for any call, it shall be sufficient to prove that the name of member sued is entered in the register as the holder, or one of the holders, of the shares in respect of which such debt accrued; that the resolution making the call is duly recorded in the Minute Book; and that notice of such call was duly given to the member sued, in pursuance of these presents; and it shall not be necessary to prove the appointment of the Directors who made such call, nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.

23. The provisions of these regulations as to payment of interest shall apply in the case of non-payment of any sum which, by the terms of issue of a share, become payable at a fixed time, whether on account of the amount of the share or by way of premium, as if the same had become payable by virtue of a call duly made and notified.

Sums payable at fixed times to be treated as Calls.

24. The Directors may, if they think fit, receive from any member willing to advance the same all or any part of the moneys uncalled and unpaid upon any shares held by him and upon all or any of the moneys so advanced may (until the same would but for such advance become presently payable) pay interest at such rate (not exceeding without the sanction of the Company in General Meeting, 4½ per cent per annum) as may be agreed upon between the member paying the sum in advance and the Directors.

Payment of call in advance.

25. Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any share nor any part payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any member in respect of any share either by way of principal or interest nor any indulgence granted by the Company in respect of the payment of any such money shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as hereinafter provided.

Partial payment not to preclude forfeiture.

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**TRANSFER AND TRANSMISSION OF SHARES**

Execution of transfer.

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

Form of transfer.

27. Shares in the Company shall be transferred in the following form or in any usual or common form which the Directors shall approve:—

“ I.....in consideration of the sum of Rupees.....paid to me by..... of.....(hereinafter called ‘ The Transferee ’) do hereby transfer to the transferee the share (or shares) numbered..... in ~~South India Textiles Limited~~, to hold unto the..... the transferee, his executors, administrators and assigns subject to the several conditions on which I held the same at the time of the execution thereof; and I, the transferee do hereby agree to take the said share or shares subject to the conditions aforesaid.

⑧ Virudhunagar Cotton Textiles Ltd. Limited Textile Mills Limited

“ As Witness our hands the.....day of..... “ Witness to the signature of, etc.”

Directors may refuse to register.

28. The Directors may at any time in their absolute discretion and without assigning any reason decline to register any proposed transfer of shares, whether fully paid-up or not and whether the transferee is a member of the Company or not and may also decline to register any transfer of shares on which the Company has a lien. No instrument of transfer shall be recognised by the Directors unless:—

- (a) Such fee not exceeding Rupees Two, as the Directors may from time to time determine, is paid to the Company in respect thereof;
- (b) The instrument of transfer is accompanied by the certificate of the shares to which it relates and such other evidence as the Directors may reasonably require to prove the title of the transferor or his right to transfer the same;
- (c) No transfer shall be made to an infant, or person of unsound mind; and
- (d) All instruments of transfer which shall be registered shall be retained by the Company but any instrument of transfer which the Directors may decline to register shall be returned to the person depositing the same. The Directors shall cause to be destroyed all transfer deeds lying with the Company for a period of ten years or more.

Register of transfers.

29. The Company shall keep a book to be called the “ Register of Transfers ” and therein shall be entered the particulars of every transfer or transmission of any shares and all other particulars of shares required by the Act to be entered in such register.

Transmission of registered shares.

30. The Executor or administrator or legal representative of a deceased member (whether a European, Hindu, Mohamedan, Parsee or otherwise) shall be the only person recognised by the Company as having any title to the shares registered in his name except in cases of joint-holders in which case the surviving holder or holders or the executor or administrator or legal representative of the surviving holder shall be the only person entitled to be so recognised but nothing herein contained shall release the estate of a deceased joint-holder from any liability in respect of any share jointly held by him. The Company shall not be bound to recognise such executor or administrator or legal representation as the case may be, from a duly constituted court in British India or from any court of authority authorised by any Act or the Provincial or Central Legislature of British India, or by any order or Notification of the Governor-General-in-Council to grant such probate or letters of administration or other legal representation provided nevertheless that in special cases, and in such only, it shall be lawful for the Directors to

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dispense with the production of probate or letters of administration of such other legal representation upon such terms as to indemnity or otherwise as the Directors may seem meet.

31. Any person becoming entitled to shares in consequence of the death or bankruptcy of any member, upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of his title, as the Directors think sufficient may, with the consent of the Directors (which they shall not be under any obligation to give) be registered as a member in respect of such shares, or may, subject to the regulations as to transfer hereinbefore contained, transfer such shares.

As to transfer of shares of deceased or bankrupt members.

32. 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 the meetings of the Company.

Rights of Successor.

32. (a) Directors may, in their discretion (but shall not be under any obligation so to do) upon being satisfied that a claimant to any share standing in the name of any other person (whether such person be living or dead) is entitled to such share in his own right and that such share was standing in the name of such other person as the agent, clerk, servant or nominee of the claimant or any other person through whom he claims and, upon such indemnity or security to the Company as the Directors may require against claims in respect of such shares recognise the claimant as the owner of such share and register him as such and the claimant shall thereupon execute, and deliver to the Company, an agreement in the following form with such modifications or alterations if any, as the Directors may prescribe in each case:—" In consideration of Directors of the Company, having at my request registered me as the holder of . . . . . share in the Company No. . . . . lately standing in the name of . . . . . deceased (or as the case may be) I hereby agree to hold the said share subject to the several conditions on which the said share was held immediately before the date on which I was registered as the holder thereof as aforesaid.

33. (1) An application for the registration of the transfer of shares may be made either by the transferor or the transferee provided that where such application is made by the transferor no registration shall in the case of partly paid shares be effected unless the Company gives notices of the application to the Transferee and subject to the provisions of sub-clause (4) the Company shall unless objection is made by the Transferee within two weeks from the date of receipt of the notice enter in its register of members the name of the Transferee in the same manner and subject to the same conditions as if the application for registration was made by the Transferee.

Application for transfer.

(2) For the purpose of sub-section (1) notice to the Transferee shall be deemed to have been duly given if sent by prepaid post to the Transferee at the address given in the instrument of transfer and shall be deemed to have been delivered in the ordinary course of post.

(3) It shall not be lawful for the Company to register a transfer of any shares unless the proper instrument of transfer duly stamped and executed by the transferor and the transferee has been delivered to the Company along with the scrip.

Provided that where it is proved to the satisfaction of the Directors of the Company that an instrument of transfer signed by the Transferor and Transferee has been lost, the Company may, if the Directors think fit on an application in writing made by the transferee and bearing the stamp required by an instrument of transfer register the transfer on such terms as to indemnity as the Directors think fit.

(4) If the Company refuses to register the transfer of any shares the Company shall within two months from the date on which the instrument of transfer is lodged with the Company, send to the transferee and the transferor notice of the refusal.

(5) Nothing in sub-clause (3) shall prejudice any power of the Company to refuse to register the transfer of any shares.

Company's right to register transfer to apparent legal owner.

34. The Company shall incur no liability or responsibility whatever in consequence of their registering or giving effect to any transfer of shares made or purporting to be made, by any apparent legal owner thereof (as shown or appearing in the register of members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right or title or interest or notice prohibiting registration of such transfer and may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in the book of the Company; but the Company shall nevertheless be at liberty to have regard and attend to any such notice and give effect thereto, if the Directors shall think fit.

**FORFEITURE OF SHARES**

If call or instalment not paid, notice may be given.

35. If a member fails to pay any call or instalment of a call on the day appointed for the payment thereof, the Directors may at any time thereafter during such time as any part of such a call or instalment remains unpaid serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued. The Directors may accept in the name and for the benefit of the Company and upon such terms and conditions as may be agreed, the surrender of any shares liable to forfeiture and so far as the law permits of any other shares.

Forms of notice.

36. The notice shall name a further day (not earlier than the expiration of fourteen days from the date of the notice) on or before which the payment required by the notice is to be made, and shall state that, in the event of non-payment at or before the time appointed the shares in respect of which the call was made will be liable to be forfeited.

If notice not complied with, shares may be forfeited.

37. If the requirements of any such notice as aforementioned are not complied with, any share in respect of which the notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares, and not actually paid before the forfeiture.

37. (a) Any share so forfeited shall be deemed to be the property of the Company;

(b) The forfeiture of a share shall involve the extinction of all interest in and also of all claims and demands against the Company in respect of the share and all other rights, incident to the share except on such of those rights as by these articles are expressly saved.

Sale of forfeited shares.

38. A forfeited or surrendered share may be sold or otherwise disposed of on such terms and in such manner as the Directors may think fit, and at any time before a sale or disposition, the forfeiture may be cancelled on such terms as the Directors may think fit.

Liability after forfeiture.

39. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall notwithstanding remain liable to pay the Company all moneys which at the date of forfeiture were presently payable by him to the Company in respect of the share, but his liability shall cease if any when the Company received payment in full of the nominal amount of shares.

Declaration of forfeiture.

40. A duly verified declaration in writing that the declarant is a Director 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, and that declaration and the receipt of the Company for the consideration, if any, given for the shares on the sale or disposition thereof, shall constitute a good title to the share, and the person to whom the

share is sold or disposed of shall be registered as the holder of the share and 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. (a) Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Directors may appoint some person to execute if necessary, an instrument of transfer and may cause the purchasers' name to be entered in the register in respect of the shares sold, and the purchaser shall not be bound to see to the regularity of the proceedings, as to the application of the purchase money, and after his name has been entered in the register in respect of such shares, the validity of the sale shall not be impeached by any person, and the remedy of any person assigned by the sales, shall be in damage only and against the Company exclusively.

(b) When any share shall have been so forfeited notice of the resolution shall be given to the member in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture, with the date thereof, shall forthwith be made in the register.

41. The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which by the terms of issue of a share, become payable at a fixed time, whether on account of the amount of the share, or by way of premium or otherwise as if the same had been payable by virtue of a call duly made and notified.

Non-payment of sums payable at fixed times.

#### CONVERSION OF SHARES INTO STOCK

42. The Directors may, with the sanction of the Company previously given in General Meeting, convert any paid-up shares into stock and may with the like sanction re-convert any stock into paid-up shares of any denomination.

Conversion of shares into stock and reconversion.

43. The holders of the stock may transfer the same, or any part thereof in the same manner, and subject to the same regulations, as and subject to which, the shares from which the stock arose might previously to conversion have been transferred, or as near thereto as circumstances admit: but the Directors may from time to time fix the minimum amount of stock transferable and restrict or forbid the transfer of fractions of that minimum, but the minimum shall not exceed the nominal amount of the shares from which the stock arose.

Transfer of stock.

44. The holders of stock shall, according to the amount of the 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) shall be conferred by any such aliquot part of stock as would not, if existing in shares, have conferred that privilege or advantage.

Rights of stock holders.

45. Such of the regulations of the Company (other than those relating to share warrants) as are applicable to paid-up shares shall apply to stock, and the words "share" and "shareholder" therein shall include "stock" and "stock-holder".

Regulations applicable to paid-up shares apply to stock.

#### SHARE WARRANTS

46. The Company may issue share warrants, and accordingly the Directors may, in their discretion, with respect to any share which is fully paid-up, on application in writing signed by the person registered as holder of the share, and authenticated by such evidence (if any) as the Directors may from time to time require as to the identity of the person signing the request, and on receiving the certificate (if any) of the share, and the amount of the stamp duty on the warrant and such fee as the Directors may from time to time require, issue under the Company's seal a warrant, duly stamped, stating the bearer of the warrant is entitled

Issue of warrants

to the shares therein specified, and may provide by coupons or otherwise for the payment of dividends or other moneys on the shares included in the warrant.

Entries in register when share warrant issued.

47. On the issue of a share warrant, the Directors shall strike out of its register of members the name of the Member then entered therein as holding the shares specified in the warrant as if he had ceased to be a member, and shall enter in the Register the following particulars, namely (1) the fact of the issue of the warrant, (2) a statement of the shares or stock included in the warrant distinguishing each share by its number and (3) the date of the issue of the warrant.

Right of bearer of share warrant.

48. A share warrant shall entitle the bearer to the share included in it and the share shall be transferred by the delivery of the share warrant and the provisions of the regulations of the Company with respect to transfer and transmission of the shares shall not apply thereto.

Registration of name of bearer of share warrant.

49. The bearer of a share warrant shall, on surrender of the warrant to the Company for cancellation, and on payment of such sum as the Directors may from time to time prescribe, be entitled to have his name entered as a member in the register of members in respect of the shares included in the warrant.

Deposit of share warrant.

50. The bearer of a share warrant may at any time deposit the warrant at the office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the Company, and of attending and voting and exercising the other privileges of a member at any meeting held after the expiration of two clear days from the time of deposit, as if his name were inserted in the register of members as the holder of the shares included in the deposited warrant. Not more than one person shall be recognised as a depositor of the share warrant. The Company shall, on two days' written notice, return the deposited share warrant to the depositor.

Disabilities of bearer of share warrant.

51. Subject as herein otherwise expressly provided, no person shall, as bearer of a share warrant, sign a requisition for calling a meeting of the Company, or attend, or vote or exercise any other privilege of a member at a meeting of the Company, or be entitled to receive any notices from the Company; but the bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the register of members as the holder of the share included in the warrant.

Directors' power to make rules.

52. The Directors may from time to time make rules as to the terms on which (if they shall think fit) a new share warrant or coupon may be issued by way of renewal in case of defacement loss or destruction.

**ALTERATION OF CAPITAL**

Power to increase or reduce capital.

53. The Directors may, with the sanction of the Company in General Meeting, increase or reduce the share capital by such sum, to be divided into shares of such amount as the resolution shall prescribe.

New shares to be offered to members.

54. Subject to any direction to the contrary that may be given by the resolution sanctioning the increase of share capital, all new shares shall, before issue, be offered to such persons as at the date of the offer are entitled to receive notices from the Company of General Meeting in proportion, as nearly as the circumstances admit to the amount of the existing shares to which they are entitled. The offer shall be made by notice specifying the number of shares offered and limiting a time within which the offer, if not accepted, will be deemed to be declined, and after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made, that he declines to accept the shares offered, the Directors may dispose of the same in such manner as they think most beneficial to the Company. The Directors may likewise so dispose of any new shares which (by reason of the ratio which the new shares bear to shares held by persons entitled to an offer of new shares) cannot in the opinion of the Directors be conveniently offered under this article.

55. The new shares shall be subject to the same provisions with reference to the payment of calls, lien, transfer, transmission, forfeiture and otherwise as the shares in the original share capital.

On what conditions new shares may be issued.

56. The Company may by ordinary resolution:—

Division and sub-division.

(a) consolidate and divide its share capital into shares of larger amount than its existing shares;

(b) by sub-divisions of its existing shares or any of them divide the whole or any part of its share capital into shares of smaller amount than is fixed by the Memorandum of Association subject nevertheless, to the provisions of paragraph (d) of sub-section (1) of Section 50 of the Act;

(c) 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.

57. The Company may, by special resolution, reduce its share capital in any manner and with and subject to any incident authorised and consent required by law.

Reduction of capital.

### GENERAL MEETING

58. The Statutory Meeting of the Company shall be held at such place and time (not being more than six months from the date at which the Company is entitled to commence business in accordance with Section 103 of the said Act) as the Directors may determine and in connection therewith the Directors shall comply with the provisions of Section 77 of the Act.

Statutory meeting.

59. A General Meeting shall be held within eighteen months from the date of its incorporation and thereafter once at least in every year at such time (not being more than fifteen months after holding of the last preceding General Meeting) and place as may be prescribed by the Company in General Meeting, or in default, at such time in the month following that in which the anniversary of the Company's incorporation occurs and at such place as the Directors shall appoint. In default of a General Meeting being so held a General Meeting shall be held in the month next following and may be called by any two members in the same manner as nearly as possible as that in which meetings are to be called by the Directors.

When general meetings should be held.

60. The above-mentioned General Meetings shall be called ordinary meetings; all other General Meetings shall be called extraordinary.

Distinction between ordinary and extraordinary.

61. The Directors may, whenever they think fit, call an extraordinary General Meeting, and an extraordinary General Meeting shall also be held on such requisition or in default may be called by such requisitionists, as provided by Section 78 of the Act. If at any time there are not within India sufficient Directors, capable of acting to form a quorum, any Director or any two members of the Company may call an extraordinary General Meeting in the same manner as nearly as possible as that in which meetings may be called by the Directors.

When extraordinary general meeting to be called.

### PROCEEDINGS AT GENERAL MEETING

62. Subject to the provisions of Section 81 (2) of the Act relating to special resolution, fourteen days' notice at the least (exclusive of the day on which the notice is served or deemed to be served, but inclusive of the day for which the notice is given) specifying the place and the hour of meeting and in case of special business the general nature of that business, shall be given in manner hereinafter mentioned, or in such other manner, if any, as may be prescribed by the Company in General Meeting to such persons as are, under the Act and/or the regulations of the Company, entitled to receive such notice from the Company but the accidental omission to give notice to or the non-receipt of the notice by any member shall not invalidate the proceedings at any General Meeting.

Notice of general meeting.

63. With the consent of all members entitled to receive notice of a meeting or to attend and vote at any such meeting, a meeting may be convened by a shorter notice than 14 days and in the case of a special resolution than 21 days as such members may approve.

Waiver of notice.

Special business.

64. All business shall be deemed special that is transacted at an extraordinary meeting and also that is transacted at an ordinary meeting with the exception of sanctioning a dividend, the consideration of the accounts, balance sheet and the ordinary reports of the Directors and Auditors, the election of Directors and other officers in the place of those retiring by rotation and the fixing of the remuneration of Auditors.

Quorum.

65. Five members entitled to be and personally present shall be a quorum for a General Meeting and no business shall be transacted at any General Meeting unless the requisite quorum is present at the commencement of the business.

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

66. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if called upon the requisition of members, shall be dissolved, 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 the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting the members present shall be a quorum.

Chairman of general meeting.

67. The Chairman, if any, of the Board of Directors, shall preside as Chairman at every General Meeting of the Company.

When chairman absent, choice of another chairman.

68. If there is no such Chairman, or if at any meeting he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as Chairman, the members present shall choose another Director as Chairman and if no Directors be present, or if all the Directors decline to take the Chair, then the members present shall choose some one of their number to be Chairman.

Adjournment of meeting.

69. The Chairman may with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting) adjourn that meeting 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. When a meeting is adjourned for ten days or more, notice of the adjourned meeting shall be given as nearly as may be in the case of an original meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

Questions at general meeting how decided.

70. At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless a poll is (before or on the declaration of the result of the show of hands) demanded in accordance with the provisions of clause (c) of sub-section (1) of Section 79 of the Act. Unless a poll is so demanded, a declaration by the Chairman that a resolution has, on a show of hands, been carried unanimously, or by a particular majority, or lost and an entry to that effect in the book of the proceedings of the Company shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of, or against that resolution.

Poll.

71. If a poll is duly demanded, it shall be taken in such manner as the Chairman directs, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

Casting vote.

72. In the case of equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting, at which the show of hands takes place, or at which the poll is demanded, shall be entitled to a second or a casting vote.

In what cases poll taken without adjournment

73. A poll demanded on the election of Chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time as the Chairman of the meeting directs.

**VOTE FOR MEMBERS**

Business may proceed notwithstanding demand for poll.

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

74. (a) 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.

75. Regulation 60 of Table A, shall be substituted by the following:—“ On a show of hands every holder of ordinary and/or deferred shares present in person shall have one vote for every ordinary and deferred share held by him and upon a poll every holder of ordinary and/or deferred shares present in person or by proxy shall have one vote for every ordinary and deferred share held by him. Preference shares do not confer a right to attend or vote either in person or by proxy at any General Meeting or to have notice of any meeting, except only when any resolution is proposed for reducing the capital of the Company or winding up the Company or directly affecting the interest of holders of such shares as a class as regards dividend, return of capital or voting and upon any question which entitled the holder of preference shares to vote these shares will confer one vote for each share held.

Votes of members.

75. (a) Any person entitled under the transmission clause to transfer any shares 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 seventy-two hours at least before the time of holding the meeting or a returned meeting as the case may be, at which he proposes to vote, he shall satisfy the Directors of his right to transfer such shares, or the Directors shall have previously admitted his right to vote at such meeting in respect thereof.

76. Regulation 61 of Table A, shall be substituted by the following:— “ Where there are Joint registered holders of any share, any one of such persons may vote at any meeting, either personally or by proxy in respect of such share as if he were solely entitled thereto and if more than one of such Joint-holders be present at any meeting, personally or by proxy, that one of the said persons so present whose name stands first or higher on the register in respect of such share, shall alone be entitled to vote in respect thereof; provided always that a person present at any meeting personally shall be entitled to vote in preference to a person present by proxy stands first or higher on the register in respect of such share. Several Executors or administrators of a deceased member in whose name any share stands shall for the purpose of this article be deemed joint-holders thereof.”

Joint holders.

77. 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.

Member of unsound mind.

78. No member shall be entitled to be present or to vote, on any question either personally or by proxy or as proxy for another member, at any General Meeting, or upon a poll, or be reckoned in a quorum whilst any call or otherwise in respect of any of the shares of such member or by any other moneys on any account whatever either solely or jointly with any other person shall be due payable to the Company.

No member entitled to vote while call due to company.

79. On a poll votes may be given either personally or by proxy provided that no Company shall vote by proxy as long as a resolution of its Directors in accordance with the provisions of Section 80 of the Act is in force.

Proxies permitted on polls.

80. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation either under the common seal or under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation either under the common seal or under the hand of an officer or attorney so authorised. No person shall act as a proxy unless he is a member of the Company.

Instrument of proxy

81. The instrument appointing proxy and the power of attorney or other authority, (if any) under which it is signed, or a notarially certified copy of that power of authority, shall be deposited at the Registered Office of the Company not less than seventy-two hours before the time for holding the meeting at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid.

And to be deposited at the office.

Form of proxy.

82. Any instrument appointing a proxy may be in the following or in any other form which the Directors shall approve:—

VIRUDHUNAGAR TEXTILE MILLS LIMITED  
~~1002 VIRUDHUNAGAR COTTON SOUTH INDIA TEXTILES LIMITED 1202~~

VIRUDHUNAGAR  
TEXTILE MILLS  
LIMITED

" I, ~~Virudhunagar Cotton South India Textiles Limited~~ being a member of ~~South India Textiles Limited~~, do hereby appoint..... of..... as my proxy to vote for me and on my behalf at the..... (Ordinary 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....."

- 82. (a) Every instrument of proxy shall be attested by atleast one witness. And no instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution.
- (b) A vote in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the principal, or revocation of the proxy or transfer of the share in respect of which the vote is given, provided no intimation of the death, revocation or transfer, shall have been received at the office before the meeting.
- (c) No objection shall be made to the validity of any vote except at the meeting at which such vote shall be tendered or at the adjournment if any, of such meeting and every vote whether given in person or by proxy not disallowed at such meeting shall be deemed valid for all purposes whatsoever.

**DIRECTORS**

Number of directors and first directors.

83. Until otherwise determined by a general meeting the number of Directors shall not be less than three and not more than twelve, including the ex-officio Directors. The First Directors of the Company are:

- 1. Mr. A. V. THOMAS. ✓
- 2. Mr. S. JAYARAM REDDIAR, M.L.A. ✓
- 3. Mr. S. S. NATARAJAN. ✓

Ex-officio directors.

(879)  
1202

84. During such time as Southern Agencies Limited or their successors and assigns shall be the Managing Agents of the Company, the said Southern Agencies Limited or their successors and assigns shall subject to the provision of Sub-Section (2) of Section 83-B of the Company's Act be entitled to appoint such number of Directors as shall not exceed in number one-third of the whole number of Directors as provided by Section 87 of the Companies Act and to remove them or any of them from office and on vacancy being caused whether by death, removal, retirement or otherwise they shall have right to appoint, a Director or Directors to fill in such vacancy. One of the Directors appointed under the Article and selected by the said man of the said Southern Agencies Limited, or their successors or assigns shall be the Ex-officio Chairman of the Directors. The Directors appointed under this Article are herein referred to Ex-officio Directors. The term " Ex-officio Directors " shall mean and include the Directors or Director for the time being in office appointed under this Article. The Ex-officio Directors shall not be liable to retire by rotation or be removed from office except by the said Southern Agencies Limited or their successors and assigns as aforesaid. The Ex-officio Directors shall not be bound to hold any qualification shares. The Ex-officio Directors may at any time by notice in writing to the company resign their office.

84 (a). Any trust deed for securing debentures or debenture-stock issued by the company may provide for the appointment from time to time by the holders of the debentures or debenture-stock secured thereby or

by the trustees or some of the trustees for the time being thereof in accordance with the provisions therein contained in that behalf of some person nominated by such appointors to be a Director of the company and may empower such appointors from time to time to remove any Director so appointed and to appoint another in his place. The Director appointed under this Article is herein referred to as "Debenture Director" and the term "Debenture Director" means the Director for the time being in office under this Article. A Debenture Director shall not be liable to retire by rotation or be removed by the Company or be required to hold any qualification shares. A Debenture Director may at any time by notice to the Company resign his office.

85. Regulation 69 of Table A shall be substituted by the following:—  
 "The remuneration of a Director shall be such amount as the Directors may from time to time fix, for every meeting of the Board attended by him. The Directors may allow and pay to any Director who is not a bona-fide resident of the place at which such meeting takes place and who shall come to such place for the purpose of attending meeting, such sum as the Directors may consider fair compensation for his travelling expenses, in addition to his fee for attending such meeting as above specified. If any Director being willing shall be called upon to go or reside out on the Company's business, or otherwise perform extra special services which expression shall include the work done by a Director in signing certificates of shares or debentures issued by the Company or work done by him as a member of any committee such Director for such services, either by way of salary or commission, or by a percentage of profits or the payment of a fixed sum of money, as may be determined by the Directors and such remuneration may either in addition to or in substitution of his remuneration above provided. The Directors shall also be entitled to be repaid any travelling or other expenses incurred in connection with the business of the company.

Remuneration of Directors.

86. Regulation 70 shall be substituted by the following:—"The qualification of a Director other than the Ex-officio Director or the Debenture Director shall be the holding of shares in the Company ordinary or deferred or together of the nominal value of Rs. 5000 ~~at least registered~~ in his name solely or jointly with any other person or persons.

Qualification of Directors.

87. The Office of a Director shall be vacated if the Director:

- (a) fails to obtain within the time specified in sub-section (1) of Section 85 or at any time thereafter ceases to hold the share qualification, if any, necessary for his appointment; or
- (b) is found to be of unsound mind by a Court of competent jurisdiction; or
- (c) is adjudged insolvent; or
- (d) fails to pay calls made on him in respect of shares held by him within six months from the date of such calls being made; or
- (e) without the sanction of the Company in General Meeting accepts or holds any office of profit under the Company other than that of Managing Director or Manager or a legal or technical adviser or a banker; or
- (f) absents himself from three consecutive meetings of the Directors or from all meetings of the Directors for a continuous period of three months, whichever is longer, without leave of absence from the Board of Directors; or
- (g) is concerned or participates in the profits of any contract with the Company; or
- (h) resigns his office by notice in writing.

When office of director to be vacated.

Provided, however, that no Director shall vacate his office by reason of his being a member of any firm or a Director of any Company which has entered into contract with, or done any work for the Company but a Director shall not vote in respect of any contract or work, and if he does so vote, his vote shall not be counted. Provided further that a Director who is about to leave or is absent from the District in which the meetings of Directors are generally held may, with the approval of the Directors, appoint any person to be an alternate Director during his absence provided such

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absence shall not be for a lesser period than three months and such appointment shall have effect and such appointee while he holds office as an alternate Director shall be entitled to notice of all meetings of the Directors and to attend and vote there at and on all resolutions proposed in circulation but he shall *ipso facto* vacate office as a Director if he is removed by his appointor from office. Any appointment or removal under this clause shall be effected by a notice in writing over the signature of the Director making the same. An alternate Director appointed under this clause need not be a member of the Company and shall not be required to obtain qualification shares.

Director and Managing Agents may contract with Company.

88. Subject to the provisions of the Act the Directors and the Managing Agents shall not be disqualified by reason of their office as such from contracting with the Company either as Vendor, Purchaser, Lender, Agent, Broker or otherwise nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company with any Director or the Managing Agents or with any Company or partnership of or in which any Director or the Managing Agents shall be a member or otherwise interested be avoided, nor shall any Director or the Managing Agents so contracting or being such member or so interested be liable to account to the Company for any profit realised by such contract or arrangement by reason only of such Director or the Managing Agents holding that office or of the fiduciary relation thereby establish, but the nature of the interest must be disclosed by him or them at the meeting of the Directors at which the contract or arrangement is determined on, if the interest then exist or in any other case at the first meeting of the Directors after the acquisition of the interest; Provided nevertheless that no Director shall vote as a Director in respect of any contract or arrangement in which he is so interested as aforesaid and if he does so, his vote shall not be counted but he shall be entitled to be present at the meeting during the transaction of the business in relation to which he is precluded from voting although he shall not be counted for the purpose of ascertaining whether there is quorum of Directors present. This proviso shall not apply to any contract by or on behalf of the Company to give to the Directors or the Managing Agents or any of them any security by way of indemnity against any loss which they or any of them may suffer by becoming or being sureties for the Company. A general notice that the Managing Agents or any Director is a Director or a member of any specified Company or is a member of any specified firm and is to be regarded as interested in any subsequent transaction with such Company or firm shall as regards any such transaction be sufficient disclosure under this article and after such general notice it shall not be necessary to give any special notice relating to any particular transaction with such Company or firm.

When Director appointed Director of subsidiary Company.

89. A Director of this Company may be or become a Director of any Company promoted by this Company or in which this Company may be interested as Vendor, Shareholder or otherwise and no such Director shall be accountable to the Company for any benefits received as a Director or member of such Company.

**ROTATION OF DIRECTORS.**

Rotation and retirement of Directors.

90. At the first ordinary meeting of the Company, the whole of the Directors other than the Ex-officio Directors shall retire from office, and at the ordinary meeting in every subsequent year, one-third of the Directors for the time being or, if their number is not three or a multiple of three, than the number nearest to one-third shall retire from office.

Retiring Director eligible for re-election.

91. A retiring Director shall be eligible for re-election and the Company at the General Meeting at which a Director retires in manner aforesaid may fill up the vacated office by electing a person thereto.

Which Directors to retire.

92. The Directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who become Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot.

Retiring Directors to remain in office till successors appointed.

93. If at any meeting at which an election of Directors ought to take place, the place of the vacating or deceased Directors are not filled up the meeting shall stand adjourned till the same day in the next week at the same time and place, and if at the adjourned meeting the places of

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vacating Directors are not filled up, the vacating Directors or such of them as have not had their places filled up shall be deemed to have been re-elected at the adjourned meeting.

94. Subject to the provisions of Section 83-A and 83-B of the Act, the Company may from time to time in General Meeting increase or reduce the number of Directors and may also determine in what rotation the increased or reduced number is to retire.

Power for general meeting to increase or reduce number of Directors.

95. Any casual vacancy occurring on the Board of Directors may be filled up by the Directors, but the person so chosen shall be subject to retirement at the same time as if he had become a Director on the day on which the Director in whose place he is appointed was last elected a Director.

Directors' power to fill up casual vacancy.

96. The Directors shall have power at any time, and from time to time to appoint a person as an additional Director, who shall retire from office at the next following ordinary General Meeting, but he shall be eligible for election by the Company at that meeting as an additional Director.

Additional director.

97. The Company may by extraordinary resolution remove any Director before the expiration of his period of office, and may by an ordinary resolution appoint another person in his stead; the person so appointed shall be subject to retirement at the same time as if he had become a Director on the day on which the Director in whose place he is appointed was last elected a Director.

Power to remove directors by extraordinary resolution.

98. No person, not being a retiring Director, shall, unless recommended by the Directors for election, be eligible for election to the office of Director at any General Meeting unless a member intending to propose him as a Director has, at least seven clear days before the meeting, left at the office a notice in writing duly signed signifying his intention to propose such person as a Director.

When candidate for office of director must give notice.

**POWERS AND DUTIES OF DIRECTORS**

99. The business of the Company shall be managed by the Directors, who may pay all expenses incurred in getting up and registering the Company 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 any regulation of these articles, to the provisions of the said Act and to such regulations being not inconsistent with the aforesaid regulations or provisions as may be prescribed by the Company in General Meeting; but no regulation made by the Company in General Meeting shall invalidate any prior act of the Directors which would have been valid if that regulation had not been made.

General powers of company vested in Directors.

*Subject to Act*

100. The Directors shall duly comply with the provisions of the Act and in particular with the provisions in regard to the registration of the particulars of mortgages and charges affecting the property of the Company or created by it, and to keeping a register of the Directors, and to sending to the Registrar an annual list of members and a summary of particulars relating thereto, and notice of any consolidation or increase of share capital, and copies of special resolutions, and a copy of the register of Directors and notifications of any changes therein.

Directors' duty to comply with the provisions of the Act.

101. The Directors shall cause minutes to be made in books provided for the purpose—

Minutes.

- (a) of the names of the Directors present at each meeting of the Directors and of any Committee of Directors;
- (b) of all resolutions and proceedings at all meetings of the Company, and of the Directors, and of Committees of Directors.

**BORROWING POWERS**

102. The Directors may from time to time and at their discretion borrow or raise any sums of money or arrange to obtain banking credits or other banking facilities for the purposes of the Company and may

Power to borrow.

generally exercise all the powers of borrowing and of raising of money vested in the Company.

Conditions on which money may be borrowed.

103. The Directors may raise or secure the repayment of such moneys or discharge and satisfy such banking credits or facilities in such manner, and upon such terms and conditions in all respects as they may think fit, and in particular by the issue of bonds, mortgage debentures or debenture-stock of the Company to bearer or otherwise, whether charged or not charged upon all or any part of the undertaking, property and rights of the Company (present and future) including its uncalled capital and repayable by annual drawings or instalment or otherwise or by giving, accepting or endorsing on behalf of the Company any promissory notes or bills of exchange, or in any other manner.

Redemption fund.

104. The Directors may, out of the annual profits of the Company or otherwise, set aside such sums as they may think fit for the purpose of providing a redemption fund for the repayment of any bonds, mortgage debentures or debenture-stock which may be issued by the Company in such amounts at such premium in such manner and at such period as they may think expedient.

Issue at discount, etc., or with special privileges.

105. Any bonds, mortgage debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise or with any special privileges as to assignment, redemption, surrender, drawings, or in exchange or allotment of shares or otherwise, and any debenture or debenture-stock created by the Company may be so framed that the same shall be assignable free from any equities between the Company and the original or any intermediate holders.

Company's power to give creditors voice in management.

106. The Company may upon the issue of any bonds, debenture, debenture-stock, or security, give to the creditors of the Company holding the same or to any trustees or to other persons on their behalf, a voice in the management of the Company whether by giving to them the right of attending and voting at General Meetings (except those held for passing extraordinary or special resolutions) or by empowering them to appoint one or more of the Directors of the Company or otherwise as may be agreed.

#### COMMON SEAL

Common seal.

107. The Directors shall provide a common seal for the Company and they shall have power from time to time to destroy the same and substitute a new seal in lieu thereof, and the Directors shall provide for the safe custody of the seal, for the time being.

Deeds now executed.

108. Every deed or other instrument to which the seal is required to be affixed shall, unless the same is executed by a duly constituted attorney for the Company, be signed by one Director at least in whose presence the seal shall have been affixed and countersigned by the Managing Agents or such other person as may from time to time be authorised by the Managing Agents provided nevertheless that any instrument bearing the seal of the Company and issued for valuable consideration shall be binding on the Company notwithstanding any irregularity touching the authority to issue the same; provided also that the counter-signature of the Managing Agents, or other authorised person shall not be necessary in the case of instruments executed in favour of the Managing Agents, which shall be sealed in the presence of any one Director and signed by him, on behalf of the Company.

#### PROCEEDINGS OF THE DIRECTORS

Meeting of Directors.

109. The Directors may meet together for the despatch of the business adjourn and otherwise regulate their meetings as they think fit, and may determine the quorum necessary for the transaction of business. Until otherwise determined, two Directors shall form a quorum.

Vacancy in Board.

110. The continuing Directors may act notwithstanding any vacancy in their body, but if and so long as the number is reduced below the number fixed by or pursuant to the regulations of the Company as the necessary quorum of Directors, the continuing Directors may act for the purpose of increasing the number of Directors to that number or of summoning a General Meeting of the Company, but for no other purpose.

111. Regulation 90 of Table A shall be substituted by the following:—"All meetings of the Directors shall be presided over by the Ex-officio Chairman, and if at any meeting the Chairman be not present at the time appointed for holding the same, then and in that case the Directors shall choose one of the Directors present to preside at the meeting. If for any reason whatsoever the Ex-officio Chairman has not been selected by the Managing Agents or there is no Ex-officio Chairman the Directors may elect a Chairman of their meetings and determine the period for which he is to hold office but if no such Chairman is elected or if at any meeting the Chairman is not present at the time appointed for holding the same, the Directors present shall choose some one of their member to be Chairman of such meeting. The omission to elect a Chairman or to determine the period of his office shall not invalidate any act done by the Directors.

Chairman.

112. The Directors may delegate any of their powers to Committees consisting of such number or numbers of their body as they think fit; any Committees so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed by the Directors, the Act and these Articles.

Committees.

113. Regulation 92-A shall be substituted by the following:—"The meetings and proceedings of any such Committee consisting of two or more members, shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors, so far as the same are applicable thereto, and are not superseded by any regulations made by the Directors, under this Article.

Chairman of Committees.

114. A Committee may meet and adjourn as they think proper. Questions arising at any meeting shall be determined by a majority of votes of the members present and in case of an equality of votes, the Chairman shall have a second or a casting vote.

Proceedings of Committees.

115. All acts done by any meetings of the Directors shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such Directors or persons acting as aforesaid, 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.

Acts done by meetings valid notwithstanding defective appointment, etc.

116. Subject to the provisions of the Companies Act, a resolution recommended by the Managing Agents and determined on without any meeting of Directors and evidenced by writing under the hands of a majority of Directors or of a majority of members of a Committee, shall be as valid and effective as a resolution duly passed at a meeting of the Directors or of such Committee.

Resolution in writing.

#### MANAGING AGENTS

117. The Company shall, immediately after incorporation enter into an agreement under its seal, appoint the Southern Agencies Limited, as the Managing Agents of the Company upon the terms of the draft Managing Agency Agreement expressed to be made between the Company and the said Southern Agencies Limited, and for purposes of identification subscribed by Mr. *S. Ganesan, M.A., B.L.*

Agreement with the Managing Agents.

118. The business of the Company shall be carried on by the Southern Agencies Limited, as Managing Agents subject to the supervision of the Board of Directors and they shall have the powers and duties provided in the Managing Agency agreement. The said Managing Agents shall be entitled to retain and continue in office for a period of 10 years from the date of incorporation of the Company.

Business to be carried on by the Managing Agents.

119. Subject to the provisions contained in Section 87-B of the Act, the Managing Agents shall not be removed in any event during the said period of twenty years. They shall, however, be entitled at any time to resign the office of Managing Agents on giving six months' notice of that effect.

For a period of twenty years.

120. The Managing Agents shall be paid for every year a remuneration calculated at ten per cent upon the net annual profits of the Company for that year.

Remuneration of Managing Agents.

The expression "Net Profits" wherever it occurs in this Article all mean the profits of the Company calculated after allowing for all the usual working charges, interest on loans and advances, repairs and outgoing, depreciation, bounties or subsidies received from (any Government) or from a public body, profits by way of premium on shares sold, profits on sale proceeds of forfeited shares, or profits from the sale of the whole or part of the undertaking of the Company but without any deduction in respect of income-tax or super-tax or any other tax or duty on income or revenue or for expenditure by way of interest on debentures or otherwise on capital account or on account of any such which may be set aside in each year out of the profits for reserve or any other special fund...

Office allowance.

121. In addition to the above remuneration, the Managing Agents shall be entitled to an office allowance of Rs. 2,000 per mensem.

Managing Agents entitled to charge expenses.

122. The Managing Agents shall be entitled to charge and be paid for all actual expenses, if any, which they may incur for or in connection with the business of the Company. They shall be entitled to appoint part-time employees in connection with the management of the affairs of the Company and shall be entitled to be paid by the Company for any remuneration that they may pay to such part-time employees.

Powers of Managing Agents

123. The Managing Agents shall, subject to the supervision of the Directors and subject to the provisions of Section 87-G of the Act and of Article 127 have power to do all acts and things which the Managing Agents shall think usual necessary or desirable in the management of the affairs of the Company. Without prejudice to their general powers conferred hereby, they shall have the following powers subject to the supervision of the Directors:—

*Handwritten signature*

- (a) To pay the costs, charges, and expenses, preliminary and incidental to the promotion, formation, establishment and registration of the Company and subsequent to the registration fees and stamps paid in respect thereof and the costs of advertising, printing, stationery, brokerage, solicitors' charges, furniture and fittings of office and such other costs.
- (b) To sell, for cash or on credit and either wholesale or in retail and for ready or future delivery and realise the proceeds of sale of property, movable or immovable or any rights or privileges belonging to the Company, or in which the Company is interested or over which the Company may have any such power of disposal, and to exchange any such property or rights belonging to the Company for other property or rights.
- (c) To determine from time to time who shall be entitled to sign on the Company's dividend warrants, releases, contracts and documents and to give the necessary authority for such purposes.
- (d) To execute all deeds, agreements, contracts, receipts and other documents, that may be necessary or expedient for the purposes of the Company and to make and give receipts releases and other discharges for moneys or goods or property received in the usual course of business of the Company or lent or payable to or belonging to the Company and for the claims and demands of the Company.
- (e) To institute, conduct, defend, compound or abandon any actions, suits, and legal proceedings by or against the Company or its officers, or otherwise concerning the affairs of the Company and also to compound or compromise or submit to arbitration the same actions, suits and legal proceedings.
- (f) To enter into, vary or cancel all manner of contracts on behalf of the Company.
- (g) To engage and in their discretion to remove, suspend, dismiss and remunerate bankers, solicitors, accountants, managers, cashiers, clerks, agents, commission agents, dealers, brokers, foremen, servant employees or every description and to

- employ and remunerate such professional or technical or skilled assistants as from time to time may in their opinion be necessary or advisable in the interests of the Company and upon such terms as to duration of employment, remuneration or otherwise and require security in such instances and to such amounts as the Managing Agents think fit.
- (h) To acquire by purchase, lease, exchange, pledge, hypothecation or otherwise transfer lands, estates, fields, buildings, office show-rooms, godowns and other buildings in the Province of Madras or elsewhere, Machinery, Engine, Plant, Rolling Stock, Tools, Machine Tools, Outfits, Stores, Hardware and any other materials of whatever description either on credit or for cash and for present or future delivery.
  - (i) To plant, develop, improve, cut down process, sell or otherwise dispose of the products of the Company and to incur all expenses in this behalf.
  - (j) To erect, maintain, repair, equip, alter and extend buildings and machinery in the Province of Madras or in any other place.
  - (k) 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 they may consider expedient for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company.
  - (l) To pay all moneys due by the Company and look after the finance of the Company.
  - (m) To open current and time-deposit accounts or other account with banker or bankers at his choice, and to operate on such accounts and also when necessary to overdraw or take loans on such accounts on the security of the Company or of any of its assets.
  - (n) To draw, accept, endorse, discount, negotiate and discharge on behalf of the Company all bills of exchange, promissory notes, cheques, hundies, drafts, railway receipts, deck warrant, delivery orders, Government promissory notes, other Government instruments, bonds, debentures or debenture-stocks of corporation, Local Bodies, Port Trusts, Improvements Trusts or other corporate bodies and to execute transfer deeds for transferring stocks, share or stock certificates of the Government and other local or corporate bodies in connection with any business or any subject of the Company.
  - (o) To borrow from time to time such sums of money for the purposes of the Company upon such terms as may be expedient and with or without security.
  - (p) To receive and give effectual receipts and discharge on behalf of and against the Company for moneys, funds, goods or property lent, payable or belonging to the Company or for advances against the goods of the Company.
  - (q) To make or receive advance of money, goods, machinery, plant and other things by way of sale, mortgage, hypothecation, lien, pledge, deposit, or otherwise in such manner and on such terms as the Managing Agents may deem fit.
  - (r) To submit to arbitration and enforce the fulfilment of awards regarding any claims in which the Company may be interested to adjust, settle or compromise any claims due to or by the Company and to give to debtors of the Company time for payment.
  - (s) To make all manner of insurances.
  - (t) To delegate all or any of the powers, authorities and discretions for the time being vested in the Managing Agents and also from time to time provide by the appointment of an attorney or attorneys to sign, seal, execute, deliver, register, or cause to be registered all instruments, deeds, documents or writings usually necessary or expedient for any of the purposes of the Company not requiring the common seal of the Company.

(u) To invest the funds of the Company as are not immediately required for the business upon such securities or to deposit with such banks, companies or persons and in such manner as may from time to time be determined and from time to time vary or realise such investments as the Managing Agents shall think fit and proper.

Compensation for premature termination of office.

124. If within the said period of twenty years, the Managing Agency is determined on the winding up of the Company or otherwise, the Managing Agents shall be entitled to compensation in respect of the unexpired period of the Managing Agency calculated at the rate of the remuneration and office allowance payable to them in the year previous to the year in which the Managing Agency is determined.

#### DIVIDEND AND RESERVES

Declaring dividend.

125. The Company in General Meeting may declare dividends but no dividend shall exceed the amount recommended by the Directors. No dividends shall be paid otherwise than out of profits of the year or any other undistributed profits.

Setting aside sums for reserve.

126. The Directors may, before recommending any dividend, set aside out of the profits of the Company such sums as they think proper, as a reserve which shall, at the discretion of the Directors, be applicable for re-payment of debentures, meeting contingencies or for equalising dividends, or for any other purpose to which the profits of the Company may be properly applied and pending such application may, at the like discretion either be employed in the business of the Company or be invested in such investment (other than shares of the Company) as the Directors may from time to time think fit.

Proportion of dividend.

127. Subject to the rights of persons (if any) entitled to shares with special rights as to dividends, all dividends shall be paid according to the amount paid-up on the shares. No amount paid on a share in advance of calls shall, while carrying interest, be treated for the purpose of this article as paid on the share.

Interim dividends.

128. The Directors may from time to time pay to the members such interim dividends as appear to the Directors to be justified by the profits of the Company.

Dividend in specie.

129. Any General Meeting sanctioning or declaring a dividend in terms of these Articles may direct payment of such dividend wholly or in part by the distribution of specific assets and in particular of paid-up shares, debentures or debenture-stock of the Company or any other Company or in any or more of such ways and the Directors shall give effect to such resolution and when any difficulty arises in regard to the distribution, they may settle the same as they think expedient and in particular may issue fractional certificates, and may fix the value for distribution of such specific assets or any part thereof and may determine that cash payment shall be made to any member upon the footing of the value so fixed in order to adjust the rights of all parties and may vest any such specific assets in trustees upon such trusts for the persons entitled to the dividend as may seem expedient to the Directors. Where required, the Directors may appoint any person to sign any contract thereby required on behalf of the persons entitled to the dividend and such appointment shall be effective.

Dividend to joint-holders.

130. If several persons are registered as joint-holders of any shares, any one of them may be given an effectual receipt for any dividend payable on the shares.

Notice of dividend and unclaimed dividend.

131. Notice of any dividend that may have been declared shall be given in manner hereinafter mentioned to the persons entitled to the shares therein mentioned and all dividends unclaimed for six years after notice thereof is given may be forfeited by the Directors for the benefit of the Company as the Directors think fit.

No interest on dividends.

132. No dividend shall bear interest against the Company.

#### ACCOUNTS

Accounts to be kept.

133. The Directors shall cause to be kept proper books of account 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 take place; (b) All sales and purchases by the Company; and (c) The assets and liabilities of the Company.

134. The books of account shall be kept at the Registered Office of the Company or at such other place as the Directors shall think fit and shall always be open to the inspection of the Directors during business hours.

Where to be kept.

135. The Directors shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations and 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 authorised by the Directors or by the Company in General Meeting.

Inspection by members.

136. The Directors shall as required by Sections 131 and 131-A of the Indian Companies Act, 1913, cause to be prepared and to be laid before the Company in General Meeting such profit and loss accounts, balance sheets, and reports as are referred to in those sections.

Duty to lay before general meeting balance sheet, etc.

137. The Profit and Loss Account shall, in addition to the matters referred to in Section 132 (3) 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 case where any item of expenditure which may, in fairness, be distributed over several years has been incurred in any year, the whole amount of such item shall be stated, with the additions of the reasons why only a portion of such expenditure is charged (if so charged) against the income of the year.

Profit and loss account.

138. A Balance Sheet and the profit and loss account shall be made out in every year and laid before the Company in General Meeting, for a period made up to a date not more than nine months before such meeting. The Balance Sheet shall be accompanied by a report of the Directors as to the state of the Company's affairs and the amount (if any) which they recommend to be paid by way of dividend or bonus and the amounts (if any) which they propose to carry to the Reserve Fund and other accounts, according to the provisions in that behalf hereinbefore contained.

Balance Sheet.

139. A copy of the audited Balance Sheet and Profit and Loss account together with a copy of the auditors Report shall, fourteen days previous to the meeting, be sent to the persons entitled to receive notices of General Meetings in the manner in which the notices are to be given herein.

Sending of balance sheet, etc.

140. The Directors shall in all respects comply with the provisions of Sections 130 to 135 of the Act or any statutory modifications thereof for the time being in force.

Duty to comply with Sections 130 to 135 of the Act.

#### AUDIT

141. The Company shall at each Annual General Meeting appoint an auditor or auditors to hold office until the next Annual General Meeting.

Appointment of Auditors.

142. The Directors may fill any casual vacancy in the office of auditor but while any such vacancy continues, the surviving or continuing auditor or auditors, if any, may act.

Casual vacancy in office of auditor.

143. The remuneration of the auditors shall be fixed by the Company in General Meeting except that the remuneration of any auditors appointed to fill up any casual vacancy may be fixed by the Directors.

Remuneration of Auditors.

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Appointment and duties regulated by Sections 144 and 145 of the Act.

144. The Auditors shall be appointed and their duties regulated in accordance with Sections 144 and 145 of the Act or any Statutory modification thereof for the time being in force.

**WINDING UP**

Winding up.

145. If the Company shall be wound up and the assets available for distribution amongst the members as such shall be insufficient to repay the whole of the paid-up capital or capital deemed to be paid-up, 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 deemed to be paid-up at the commencement of the winding up, on the shares held by them respectively; and if a winding up of the assets available for distribution amongst the members shall be more than sufficient to repay the whole of the capital paid-up at the commencement of the winding up, the excess shall be distributed amongst the members in proportion to the capital paid-up or deemed to be paid-up at the commencement of the winding up on the shares held by them respectively. Where capital is paid-up on any shares in advance of calls upon the footing that the same shall carry interest, such capital shall be excluded and shall be repayable in full before any distribution is made on the paid-up capital or capital deemed to be paid-up together with interest at the rate agreed upon. Provision of this article shall be subject to any special rights or liabilities attached to any special class of shares forming part of the capital of the Company.

Division of assets of the Company in specie among members.

146. The liquidators may with the sanction of special resolution divide amongst the members in specie the whole or any part of the assets of the Company.

**INDEMNITY**

Indemnity.

147. Subject to the provisions of Section 86-O of the Act, every Director, Managing Agents, Manager, Managing Director, Auditor, Secretary and other officer or Servant for the time being of the Company shall be indemnified by the Company against and it shall be the duty of the Directors to pay out of the funds of the Company to pay all costs, losses and expenses which any such officer or servant may incur or become liable to by reasons of any contract entered into or act done, concurred in or omitted in or about the execution of his duty or supposed duty in his office, except such (if any) as he shall incur through his own wilful neglect or default respectively and no such officer or servant shall be answerable for the acts, receipts, neglects or defaults of the other or others of them or for joining in any receipts for the sake of conformity or for any Bankers or other persons with whom any money or effects belonging to the Company shall or may be lodged or deposited for safe custody or for any loss, misfortune or damage which may happen in the execution of his office or in relation thereto unless the same shall happen by or through his own wilful neglect or default.

**SECURITY CLAUSE**

Security Clause.

148. No member shall be entitled to visit or inspect the Company's works without the permission of the Directors or Managing Agents, or to require discovery of or any information respecting any detail of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery or trade or secret process, which may relate to the conduct of the business of the Company, and which in the opinion of the Directors it will be inexpedient in the interest of the members of the Company, to communicate to the public.

## NOTICES

149. (a) 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 in British India) to the address, if any, within British India supplied by him to the Company, for the giving of notices to him. Notices to be served on the Company by members shall be held to be properly served by leaving the same at the registered office of the Company.

How notices to be served on members.

(b) Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the notice and unless the contrary is proved to have been effected at the time at which the letter would be delivered in the ordinary course of post.

150. If a member has no registered address within British India and has not supplied to the Company an address within British India for the giving of notices to him, a notice addressed to him and advertised in a newspaper circulating in the neighbourhood of the Registered Office of the Company shall be deemed to be notice duly given to him on the day on which the advertisement appears.

Notice where no address.

151. A notice may be given by the Company to the joint-holders of a share by giving it to the joint-holder named first in the register in respect of the share.

Notice to joint holders.

152. 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 of representatives of the deceased or assignee of the insolvent or by any like description, at the address (if any) in British India supplied for the purposes by the persons claiming to be so entitled (until such an address has been so supplied) by giving the notice in any manner in which the same might have been given if the death or insolvency had not occurred.

Notice in case of death or insolvency.

153. Notice of every General Meeting shall be given in some manner hereinafter authorised to (a) every member of the Company including bearers of share warrants except those members who (having no registered address within British India) have not supplied to the Company an address within British India for the purpose of giving of notices 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.

To whom notice of general meeting to be given.

154. (a) Any notice required to be given by the Company to the members or any of them and not expressly provided for by the Companies' Act or these presents shall be sufficiently given by advertisement.

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

(c) Any notice or document delivered or sent by post to, or left at the registered address of any member in pursuance of these presents shall, notwithstanding such member be then deceased, and whether or not the Company have notice of his decease, be deemed to have been duly served in respect of any registered shares, whether held solely, or jointly.

with other persons by such member, until some other person be registered in his stead as the holder or joint-holder thereof, and such service shall for all purposes of these presents be deemed a sufficient service of such notice or document on his or her heirs, executors or administrators, and all persons, if any, jointly interested with him or her in any such share.

(d) The signature to any notice to be given by the Company may be written or printed.

Names	Occupation and Addresses	Witness
1. A. V. THOMAS. <i>[Signature]</i> Merchant 2/21 First Line Beach	Merchant 2/21 First Line Beach, Madras	<i>[Signature]</i>
2. S. JAYARAM REDDIAR <i>[Signature]</i>	Custom merchant Vandhuvanagar	<i>[Signature]</i> C. Sankaran Kutty Nair
3. S. S. NATARAJAN <i>[Signature]</i> South Car Street Vandhuvanagar	Merchant Vandhuvanagar	Office assistant No. 9. Sankaranagar Chembadripet Madras
4. G. J. Devadasan <i>[Signature]</i> 2/21 First Line Beach, Madras	Company Manager Madras	<i>[Signature]</i>
5. J. Kummarappan <i>[Signature]</i>	Engineer Konnemur Hotel. Madras	<i>[Signature]</i>
6. P. R. Nair	Merchant A. V. Thomas & Co. (India) Ltd. Madras	<i>[Signature]</i>
7. K. Rangaswami Director A. V. Thomas & Co., (India) Ltd.,	10 Alayappalathur Vepery Po. Madras	<i>[Signature]</i>

Dated at Madras, this 9th day of July 1946.