



Sakthi Finance

Since 1955

SFL:66AGM:121:2023-24

21st September 2023

BSE Limited
(Scrip Code :511066)
Floor 25, P J Towers
Dalai Street, Fort
Mumbai - 400 001

On-line submission through Listing Centre

Dear Sir / Madam,

Announcement under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 – Amendments to the Articles of Association of the Company

We request you to refer to our letter no. SFL:BSE:AGM2023:107:2023-24 dated 29th August 2023 informing you about the 66th Annual General Meeting ("**e-AGM**") of the members of the Company to be held through Video Conference ("**VC**") on **Thursday, 21st September 2023** and the submission of Company's AGM Notice and the Annual Report for the year ended 31st March 2023.

In this regard, we wish to inform that the e-AGM was held today, i.e **Thursday, 21st September 2023 at 4.00 p.m** through VC and the Company has amended its Articles of Association pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act 2013 and the Rules made thereunder (including any statutory modifications or re-enactment thereof, for the time being in force) in place of the existing Articles of Association of the Company and was placed before the shareholders for their approval under item No. 7 of the Agenda. A copy of the amended New set of Articles of Association of the Company is also enclosed as an **Annexure**.

We request you to take the document on record.

For Sakthi Finance Limited



C Subramaniam
Company Secretary and
Compliance Officer
FCS 6971



Encl: (1)

**ARTICLES OF ASSOCIATION
OF
SAKTHI FINANCE LIMITED**
(Incorporated under the Companies Act 1913)

INTRODUCTION

- 1 The regulations contained in the Table Marked 'F' of Schedule I to the Companies Act 2013 shall apply to the Company.
- 2 The regulations for the management of the Company and for the observance by the members thereto and their representatives, shall, subject to any exercise of the statutory powers of the Company with reference to the deletion or alteration of or addition to its regulations by resolution as prescribed or permitted by the Companies Act 2013, be such as contained in these Articles. Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meanings as in the Act or the Rules or any statutory modifications thereof in force at the date which these regulations become binding on the Company and its members. In these Articles, unless there be something in the subject or context inconsistent therewith or unless the context otherwise requires:
 - a. "Act" means the Companies Act 2013 or any statutory modification or re-enactment thereof for the time being in force and the term shall be deemed to refer to the applicable section thereof which is relatable to the relevant Article in which the said term appears in these Articles and any previous company law, so far as may be applicable;
 - b. "Articles" means these Articles of Association of the Company or as altered from time to time;
 - c. "Board of Directors" or "Board", means the collective body of the directors for the time being of the Company;;
 - d. "Company" means "SAKTHI FINANCE LIMITED";
 - e. "Office" means the Registered Office for the time being of the company;
 - f. "Rules" means any rule made pursuant to Section 469 of the Act or such other provisions pursuant to which the Central Government is empowered to make Rules, and shall include such Rules as may be amended from time to time.
 - g. "Seal" means the common seal of the Company;
 - h. Words importing the singular number include, where the context admits or requires, the plural number and *vice versa*;
 - i. Words importing the masculine gender include, where the context admits or requires include feminine gender; and
 - j. Words importing persons shall where the context requires include corporate bodies and companies as well as individuals.

SHARE CAPITAL AND VARIATION OF RIGHTS

- 3 The Authorized Share Capital of the Company is ₹ 130,00,00,000 (Rupees One Hundred and Thirty crore only) divided into 10,00,00,000 Equity Shares of ₹ 10 (Rupees Ten) each and 30,00,000 Redeemable Cumulative Preference Shares of ₹ 100 (Rupees One Hundred) each, with power to increase, reduce, re-classify, consolidate, sub-divide or otherwise dealt with in accordance with the Articles of Association of the Company and the provisions of the Companies Act 2013 and the Rules made thereunder and other statutory/ regulatory requirements as may be applicable from time to time.
- 4 Subject to the provision of the Act and these Articles, the shares in the Capital of the Company shall be under the control or discretion of the Board who may issue, allot or otherwise dispose of the shares or any of them to such persons or persons, in such proportion and on such terms



and conditions and either at a premium or at par and at such time as they may from time to time think fit.

- 5 Subject to the provisions of the Act and these Articles, the Board may issue and allot shares in the capital of the Company on payment or part payment for any property or assets of any kind whatsoever sold or transferred, goods or machinery supplied or for services rendered to the Company in the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than for cash and if so issued, shall be deemed to be fully paid-up shares, as the case may be.
- 6 The Company may issue the following kinds of shares in accordance with these Articles, the Act, the Rules and other applicable laws:
 - i Equity share capital:
 - a. with voting rights; and/or
 - b. with differential rights as to dividend, voting or otherwise in accordance with the Rules; and
 - ii Preference Share Capital
- 7 a. Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission of one or more certificate/s for all his shares without payment of any charges.
 - b. Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.
 - c. In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate therefor, and delivery of a certificate for a share to the first named of the several joint holders shall be sufficient delivery to all such holders.
 - d. Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its existing shares, debentures and other securities, re-materialize its existing shares, debentures and other securities held in a Depository and/or offer further shares, debentures and other securities in dematerialized form pursuant to Depositories Act, 1996 and Rules framed there under.
 - e. Notwithstanding anything contained elsewhere in these Articles, where any shares/other securities of the Company are either issued or held in dematerialized form, the rights and obligations of all parties concerned and all matters connected therewith or incidental thereto, shall be governed by the provisions of the Depositories Act, 1996 and/or by the provisions of any other applicable law in force from time to time.
- 8 A person subscribing to shares offered by the Company shall hold the shares in a dematerialized form with a depository and the company shall intimate such depository the details of allotment of the share to enable the depository to enter in its records the name of such person as the beneficial owner of that share.
- 9 If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof free of charge, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given on payment such fees for each certificate as may be fixed by the Board.
- 10 The provisions of the forgoing Articles relating to issue of certificates shall *mutatis mutandis* apply to issue of certificates for any other securities including debentures (except where the Act otherwise requires) of the Company.



- 11 a. The company may exercise the powers of paying commissions conferred by the Act, to any person in connection with the subscription to its securities, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Act and Rules.
- b. The rate or amount of the commission shall not exceed the rate or amount prescribed in rules.
- c. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other.
- 12 a. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of the Act, and whether or not the company is being wound up, be varied with the consent in writing, of such number of the holders of the issued shares of that class, or with the sanction of a resolution passed at a separate meeting of the holders of the shares of that class, as prescribed by the Act.
- b. To every such separate meeting, the provisions of these Articles relating to general meetings shall *mutatis mutandis* apply.
- 13 The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.
- 14 Subject to the provisions of the Act, the Board shall have the power to issue or re-issue preference shares of one or more classes which are liable to be redeemed or converted to equity shares, on such terms and conditions and in such manner as determined by the Board in accordance with the Act.
- 15 a. The Board or the company, as the case may be, may, in accordance with the Act and the Rules, issue further share to -
- i persons who, at the date of offer, are holders of equity share of the company; such offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; or
 - ii employees under any scheme of employees' stock option; or
 - iii any persons, whether or not those persons include the persons referred to in clause (i) or clause (ii) above if it is authorised by a Special Resolution.
- b. Further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act and the Rules.

LIEN

- 16 a. The Company shall have a first and paramount lien -
- i On every share (not being fully paid up share), for all moneys (whether presently payables or not) called, or payable at a fixed time in respect of that share; and
 - ii On all shares (not being fully paid up shares) standing registered in the name of a single person, for all moneys presently payable by him or his estate to the Company.
 - iii Provided that the Board of Directors may at any time declare any share to be wholly or in part exempt from the provision of this clause.



- b. The Company's lien, if any, on any share shall extend to all dividends or interest, as the case may be, payable and bonuses declared from time to time in respect of such shares for any money owing to the company.
 - c. Unless otherwise agreed by the Board, the registration of a transfer of shares shall operate as a waiver of the Company's lien.
 - d. The fully paid-up shares will be free from lien.
 - e. While in the case of partly paid shares, the company's lien, if any, will be restricted to moneys called or payable at a fixed time in respect of such shares.
- 17 The company may sell, in such manner as it thinks fit, any shares on which the company has a lien:
Provided that no sale shall be made-
- a. unless a sum in respect of which the lien exists is presently payable:
 - b. until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or to the person entitled thereto by reason of his death or insolvency or otherwise.
- 18 a. To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.
- b. The purchaser shall be registered as the holder of the shares comprised in any such transfer.
 - c. The receipt of the company for the consideration (if any) given for the share on the sale thereof shall (subject, if necessary, to execution of an instrument of transfer or a transfer by relevant system, as the case may be) constitute a good title to the share and the purchaser shall be registered as the holder of the share.
 - d. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings with reference to the sale.
- 19 a. The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.
- b. The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.
- 20 In exercising its lien, 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 unless required by any statute) be bound to recognize any equitable or other claim to, or interest in, such share on the part of any other person, whether a creditor of the registered holder or otherwise. The company's lien shall prevail notwithstanding that it has received notice of any such claim.
- 21 The provisions of these Articles relating to lien shall mutatis mutandis apply to any other securities including debentures of the company.

CALLS ON SHARES

- 22 a. The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times
- b. Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.



- c. The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call in respect of one or more members as the Board may deem appropriate any circumstances.
 - d. A call may be revoked or postponed at the discretion of the board.
 - e. The option or right to call of shares shall not be given to any person except with the sanction of the Company in General Meeting.
- 23 A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by installments.
- 24 The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
- 25 a. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof (the "due date"), the person from whom the sum is due shall pay interest thereon from the due date to the time of actual payment at such rate as may be fixed by the Board.
- b. The Board shall be at liberty to waive payment of any such interest either wholly or in part.
- 26 a. Any sum, which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these articles, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
- b. In case of non-payment of such sum, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
- 27 The Board:
- a. may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and
 - b. upon all or any of the money so advanced, may (until the same would but for such advance, become presently payable) pay interest at such rate as may be fixed by the Board. Nothing contained in this clause shall confer on the member (a) any right to participate in profits or dividends or (b) any voting rights in respect of the moneys so paid by him until the same would, but for such payment, become presently payable by him.
- 28 If by conditions of allotment of any shares, the whole or part of the amount of issue price thereof shall be payable by installment, then every such installment shall, when due, be paid to the company by the person who, for the time being and from time to time, is or shall be the registered holder of the share or the legal representative of a deceased registered holder.
- 29 The provisions of these Articles relating to calls shall mutatis mutandis apply to any other securities including debentures of the company.

TRANSFER OF SHARES

- 30 a. The Company shall use a common form of transfer.
- b. The instrument of transfer of any share in the company shall be duly executed by or on behalf both the transferor and transferee.
- c. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register of Members in respect thereof.
- 31 The Board may, subject to the right of appeal conferred by the Act, decline to register:
- a. the transfer of shares, not being a fully paid shares, to a person of whom they do not approve; or



- b. any transfer of shares on which the company has a lien.
- 32 In case of shares held in physical form, the Board may decline to recognize any instrument of transfer unless:
- the instrument of transfer is duly executed and is in the form as prescribed in the Rules made under the Act;
 - the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
 - the instrument of transfer is in respect of only one class of shares.
- 33 On giving of previous notice of at least seven days or such lesser period in accordance with the Act and Rules made thereunder, the registration of transfers may be suspended at such time and for such periods as the Board may from time to time determine. Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty five days in the aggregate in any year.
- 34 The provisions of these Articles relating to transfer of shares shall mutatis mutandis apply to any other securities including debentures of the company.

TRANSMISSION OF SHARES

- 35 a. On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognized by the company as having any title to his interest in the shares.
- b. Nothing in clause (a) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
- 36 a. Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—
- to be registered himself as holder of the share; or
 - to make such transfer of the share as the deceased or insolvent member could have made.
- b. The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.
- c. The company shall be fully indemnified by such person from all liability, if any, by actions taken by the Board to give effect to such registration or transfer.
- 37 a. If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.
- b. If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
- c. All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.
- 38 A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a



member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

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

- 39 The provisions of these Articles relating to transmission by operation of law shall mutatis mutandis apply to any other securities including debentures of the company.

JOINT HOLDERS

- 40 Where two or more persons are registered as joint-holders (not more than three) of any shares, they shall be deemed (so far as the company is concerned) to hold the same as joint tenants with benefit of survivorship, subject to the following and other provisions contained in these Articles:
- a. The joint-holders of any shares shall be liable severally as well as jointly for and in respect of all calls or installments and other payments which ought to be made in respect of such shares;
 - b. On the death of anyone or more such joint-holders, the survivor or survivors shall be the only person(s) recognised by the Company as having any title to the share, but the Directors may require such evidence of death as they may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person;
 - c. Any one of such joint holders may give effectual receipts of any dividends, interests or other moneys payable in respect of such share.
 - d. Only the person whose name stands first in the Register of members as one of the joint-holders of any share shall be entitled to the delivery of the certificate, if any, relating to such shares or to receive notice (when term shall be deemed to include all relevant documents) and any notice served on or sent to such person shall be deemed service on all the joint-holders.
 - e.
 - i. Any one of two or more joint-holders may vote at any meeting either personally or by attorney or by proxy in respect of such shares 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 or by attorney then that one of such persons so present whose name stands first or higher (as the case may be) on the register in respect of such shares shall alone be entitled to vote in respect thereof but the other or others of the joint-holders shall be entitled to vote in preference to a joint-holder present by attorney or by proxy although the name of such joint-holder present by any attorney or proxy stands first or higher (as the case may be) in the register in respect of such shares.
 - ii. Several executors or administrators of a deceased member in whose (deceased member) sole name any share stands, shall for the purpose of this clause be deemed joint-holders.
 - f. The provisions of these Articles relating to joint holders of share shall mutatis mutandis apply to any other securities including debentures of the company registered in joint names.

FORFEITURE OF SHARES

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



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

- 42 The notice aforesaid shall:
- a. name a further day (not being less than expiry of fourteen days from the date of service of the notice) on or before which payment required by the notice is to be made; and
 - b. state that in the event of non-payment on or before the day so named, the shares in respect of which call was made shall be liable to be forfeited.
- 43 If the requirements of any such notice as aforesaid are not complied with, any share in respect of which such notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.
- 44 Neither the receipt by the Company for a portion of any money which may from time to time be due from any member in respect of his shares, nor any indulgence that may be granted by the Company in respect of payment of any such money, shall preclude the company from thereafter proceeding to enforce a forfeiture in respect of such shares as herein provided. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited shares and not actually paid before the forfeiture provided that there shall be no forfeiture of unclaimed dividends before the claim becomes barred by law.
- 45 When any share shall have been so forfeited, notice of the forfeiture shall be given to the defaulting member and an entry of the forfeiture with the date thereof, shall forthwith be made in the Register of member, but no forfeiture shall be invalidated by any omission or neglect or any failure to give such notice or to make such entry as aforesaid.
- 46 The forfeiture of a share shall involve the extinction at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share.
- 47 a. Forfeited shares shall deemed to be the property of the Company and shall be re-allotted or otherwise disposed of either to the person who was before such forfeiture the holder thereof or entitled thereto or to any other person on such terms and in such manner as the Board may thinks fit.
- b. At any time, before a sale or re-allotment or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
- 48 a. A person whose shares have been forfeited shall cease to be member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay, and shall pay, to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares.
- b. The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.
- 49 a. A duly verified declaration in writing that the declarent is a Director, Secretary or Manager of the Company, and that a shares 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 shares.
- b. The Company may receive consideration, if any, given for the shares on any sale or re-allotment or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;
- c. The transferee shall thereupon be registered as the holder of share and;
- d. The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or disposal of the share.



- 50 Upon any sale after forfeiture or for enforcing a lien in exercise of the powers hereinabove given, the Board may, if necessary, appoint some person to execute an instrument for transfer of the shares sold and cause the purchaser's name to be entered in the register of members in respect of the shares sold and after his name has been entered in the register of members in respect of such shares the validity of the sale shall not be impeached by any person.
- 51 Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate(s), if any, originally issued in respect of the relative shares shall (unless the same shall on demand by the Company has been previously surrendered to it by the defaulting member) stand cancelled and become null and void and be of no effect, and the Board shall be entitled to issue a duplicate certificate(s) in respect of the said shares to the person(s) entitled thereto.
- 52 The provision of these Articles as to forfeiture shall apply in the case of non-payment of any sum which by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of a share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.
- 53 The provisions of these Articles relating to forfeiture of shares shall mutatis mutandis apply to any other securities including debentures of the company.

ALTERATION OF CAPITAL

- 54 Subject to the provisions of the Act, the Company may, by ordinary resolution:
- increase the share capital by such sum, to be divided into shares of such amount, as it thinks expedient;
 - consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
 - convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
 - sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
 - cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.
- 55 Where shares are converted into stock;
- The holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same Articles under which, the shares from which the stock arose might before the conversion have been transferred or as near thereto as circumstances admit. Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose;
 - the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage;
 - such of these Articles of the company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholders"/ "member" shall include "stock" and "stock-holder" respectively.
- 56 The company may, as prescribed by the Act, reduce in any manner and in accordance with the provisions of the Act and Rules,-



- a. its share capital; and/or
- b. any capital redemption reserve account; and/or
- c. any share premium account; and/or
- d. any other reserve in the nature of share capital.

CAPITALISATION OF PROFITS

- 57 a. The company by ordinary resolution in general meeting may, upon the recommendation of the Board, resolve-
- i that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and
 - ii that such sum be accordingly set free for distribution in the manner specified in clause (s) below amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- b. The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iv) below, either in or towards:
- i paying up any amounts for the time being unpaid on any shares held by such members respectively;
 - ii paying up in full, un-issued shares or other securities of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
 - iii partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B)
 - iv A securities premium account and a capital redemption reserve account or any other permissible reserve account may, for the purpose of this Article, be applied in the paying up of un-issued shares to be issued to members of the Company as fully paid bonus shares;
 - v The Board shall give effect to the resolution passed by the company in pursuance of this Articles.
- 58 a. Whenever such a resolution as aforesaid shall have been passed, the Board shall –
- i make all appropriations and applications of the amounts resolved to be capitalized thereby, and all allotments and issued of fully paid shares or other securities, if any; and
 - ii generally do all acts and things required to give effect thereto.
- b. The Board shall have power –
- i to make such provisions, by the issue of fractional certificates/coupons or by payment in cash or otherwise as it thinks fit, for the case of shares or other securities becoming distributable in fractions; and
 - ii to authorize any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares or other securities to which they may be entitled upon such capitalization, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalized, of the amount or any part of the amounts remaining unpaid on their existing shares.
- c. Any agreement made under such authority shall be effective and binding on such members.

BUY-BACK OF SHARES

- 59 Subject to all applicable provisions of the Act and Rules made there under and any other applicable laws for the time being in force, the Company may purchase its own shares or other specified securities.



A handwritten signature in blue ink, appearing to be a stylized name.

GENERAL MEETINGS

- 60 All general meetings other than annual general meeting shall be called extraordinary general meeting.
- 61 The Board may, whenever it thinks fit, call an extraordinary general meeting.

PROCEEDINGS AT GENERAL MEETINGS

- 62 No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. The quorum for a general meeting shall be as provided in the Act.
- 63 The Chairperson of the company shall preside as Chairperson at every general meeting of the company.
- 64 If there is no such Chairperson 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 Chairperson of the meeting, the Vice Chairman of the company shall be entitled to take chair. In his absence, or in case he is unwilling to act, the Managing Director of the company shall be entitled to take chair. In his absence, or in case he is unwilling to act, the Directors present shall elect one of their members to be Chairperson of the meeting.
- 65 If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall by poll or electronically, choose one of their members to be Chairperson of the meeting.
- 66 On any business at any general meeting, in case of an equality of votes, whether on a show of hands or electronically or on a poll, the Chairperson shall have a second or casting vote.
- 67 a. The Company shall cause minutes of the proceedings of every general meeting of any class of members or creditors and every resolution passed by postal ballot to be prepared and signed in such manner as may be prescribed by the Rules and kept by making within thirty days of the conclusion of every such meeting concerned or passing of resolution by postal ballot entries thereof in books kept for that purpose with their pages consecutively numbered.
- b. There shall not be included in the minutes any matter which, in the opinion of the Chairperson of the meeting:
- is, or could reasonably be regarded, as defamatory of any person; or
 - is irrelevant or immaterial to the proceedings; or
 - is detrimental to the interests of the company.
- c. The Chairperson of the meeting shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in the aforesaid clause.
- d. The minutes of the meeting kept in accordance with the provision of the Act shall be evidence of the proceedings recorded therein.

ADJOURNMENT OF MEETING

- 68 a. The Chairperson may, with the consent of any meeting at which a quorum is present and if so directed by the meeting, adjourn the meeting from time to time and from place to place.
- b. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.



- c. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
- d. Save as aforesaid, and save as provided in the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

VOTING RIGHTS

- 69 a. Subject to any rights or restrictions for the time being attached to any class or classes of shares:
 - b. on a show of hands, every member present in person shall have one vote; and
 - c. on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.
- 70 A member may exercise his vote in accordance with the Act and shall vote only once.
 - a. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.
 - b. For this purpose, seniority shall be determined by the order in which the names stand in the register of members.
- 71 A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy. If any member be a minor, the vote in respect of his share or shares shall be by his guardian or any one of his guardians.
- 72 Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
- 73 No member shall be entitled to vote at any general meeting or through postal ballot/e-voting unless all calls or other sums presently payable by him in respect of shares in the company have been paid or in regard to which the company has exercised any right of lien.
- 74 a. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.
 - b. Any such objection made in due time shall be referred to the chairperson of the meeting, whose decision shall be final and conclusive.

PROXY

- 75 a. Any member entitled to attend and vote at a general meeting may do so either personally or through his constituted attorney or through another person as a proxy on his behalf, for that meeting.
 - b. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid.
- 76 An instrument appointing a proxy shall be in the form as prescribed in the Rules.
- 77 A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:



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

BOARD OF DIRECTORS

- 78 a. Unless otherwise determined by the company in general meeting the number of Directors shall not be less than 3 (three) and shall not more than 15 (Fifteen).
b. No share qualification is required for any person for being appointed as a Director of the company.
- 79 Subject to the applicable provisions of the Act, the Board shall have the power to determine the directors whose period of office is not liable to retire by rotation.
a. Subject to the provisions of the Act and Rules the Board shall have power to appoint one or more whole time directors as Executive Chairman, Executive Vice Chairman, Managing Director(s), Joint Managing Director or Executive Director on such terms and conditions as may be determined. The Board may designate them as Joint Managing Director or by any other designation.
b. Subject to the provisions of the Act, the same individual may, at the same time, be appointed as the Chairperson of the company as well as the Managing Director or Chief Executive Officer of the company.
- 80 a. The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.
b. The remuneration payable to the directors, including any managing or whole time director or manager, if any, shall be determined in accordance with and subject to the provisions of the Act.
c. In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them:
i. in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or
ii. in connection with the business of the company.
- 81 All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board/Committee of Directors shall from time to time by resolution determine.
a. Subject to the provisions of the Act, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.
b. Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.
- 82 a. The Board may appoint an alternate director to act for a director (hereinafter in this Article called "the Original Director") during his absence for a period of not less than three months from India. No person shall be appointed as an alternate director for an independent director unless he is qualified to be appointed as an independent director under the provision of the Act.
b. An alternate director shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India.



- c. If the term of office of the Original Director is determined before he returns to India the automatic reappointment of retiring directors in default of another appointment shall apply to the Original Director and not to the alternate director.
- 83 a. If the office of any director appointed by the company in general meeting is vacated before his term of office expires in the normal course, the resulting causal vacancy may be filled by the Board of Directors at a meeting of the Board.
- b. The director so appointed shall hold office only up to the date up to which the director in whose place he is appointed would have held office if it had not been vacated.
- 84 Notwithstanding anything to the contrary contained in these Articles, so long as any moneys shall be owing by the Company to any Bank, Financial Institution, Corporation or Company or Body Corporate or any person nominated by the debenture trustee(s) in terms of Regulation 15(1)(e) of the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993 (hereinafter referred to as 'the Financial Institutions') or so long as the Financial Institutions hold any shares/debentures in the Company as a result of direct subscription or underwriting, or conversion of loan/debentures into equity capital of the Company or so long as any guarantee given by the Financial Institutions on behalf of the Company remains outstanding, each such Financial Institution shall, have a right to appoint from time to time, one or more persons as Director(s) on the Board of Directors of the Company (which Director is hereinafter referred to as 'the Nominee Director').
- 85 The Nominee Director shall not be liable to retire by rotation. The Financial Institutions may, at any time and from time to time, remove the Nominee Director appointed by it and may, in the event of such removal and also in case of death or resignation of the Nominee Director, appoint another in his place and also fill any vacancy which may occur as a result of the Nominee Director ceasing to hold office for any reasons whatsoever. Such appointment or removal shall be made in writing by the Financial Institutions and shall be delivered to the Company at its Registered Office/Head Office.
- 86 The Board of Directors of the Company shall have no power to remove the Nominee Director from office. Each such Nominee Director shall be entitled to attend all General Meetings, Board Meetings and Meetings of the Committee of which he is a member and he and the Financial Institutions appointing him shall also be entitled to receive notice of all such meetings as also the Minutes of all General Meetings. The Nominee Director shall be paid all remuneration, fees, allowances, expenses and other moneys to which other Directors are entitled; subject as aforesaid, the Nominee Directors shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company. The Nominee Director shall *ipso facto* vacate his office immediately on the moneys owing by the Company to the Financial Institutions are paid off or on the Financial Institutions ceasing to hold shares/debentures of the Company.

POWERS OF BOARD

- 87 The management of the business of the company shall be vested in the Board and the Board may exercise all such powers, and do all such acts and things, as the company is by the memorandum of association or otherwise authorized to exercise and do, and, not hereby or by the statute or otherwise directed or required to be exercised or done by the company in general meeting. No such regulation shall invalidate any prior act of the Board which would have been valid if such regulation had not been made.

PROCEEDINGS OF THE BOARD

- 88 a. The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.



- b. the Chairperson or the Managing Director may, or the Company Secretary on the direction of the Chairperson or the Managing Director/Joint Managing Director shall, at any time, convene a meeting of the Board.
- c. the quorum for a Board Meeting shall be as provided in the Act.
- d. the participation of directors in a meeting of the Board may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.
- 89 a. Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
- b. In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.
- 90 The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.
- 91 The Chairperson of the company shall be chairperson at meetings of the Board. In his absence, the Managing Director shall occupy the chair and in the absence of the Managing Director or in case he is unwilling, the Joint Managing Director shall occupy the chair or in his absence or in case he is unwilling, the Board may elect a Chairperson of its meetings.
- 92 The Chairperson or the Managing Director or the Joint Managing Director shall have the power to invite any person or persons not being the member(s) of the Board to attend the meeting of the Board, but such invitee or invitees shall not be entitled to vote at any time.
- 93 a. The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.
- b. Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
- c. The participation of directors in a meeting of the Committee may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.
- d. The quorum for the meetings of the Committee shall be one third of the Members of the Committee or two members whichever is higher.
- 94 a. Committee may elect a Chairperson of its meetings unless the Board, while constituting a Committee, has appointed a Chairperson of such Committee.
- b. If no such Chairperson is elected, or if at any meeting the Chairperson is not present within fifteen minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.
- 95 a. A committee may meet and adjourn as it thinks fit.
- b. Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present,
- c. In case of an equality of votes, the Chairperson of the Committee shall have a second or casting vote.
- 96 All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, or that his or their appointment



had terminated, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.

- 97 Save as otherwise expressly provided in the Act, a resolution in writing, signed, whether manually or by secure electronic mode, by a majority of the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

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

- 98 Subject to the provisions of the Act:
- a. A chief executive officer, manager, chief financial officer or company secretary or may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, chief financial officer or company secretary so appointed may be removed by means of a resolution of the Board; the Board may appoint one or more chief executive officers for its multiple businesses.
 - b. With the permission of the Board, a director may be appointed as Chief Executive Officer, Manager, Chief Financial Officer or Company Secretary.
 - c. A Director may be appointed as Chairperson of the Company by the Board, at the same time, while holding office as Managing Director or Chief Executive Officer of the Company."

THE COMMON SEAL

- 99
- a. The Board shall provide for the safe custody of the seal.
 - b. The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least one director of the company, if any, or of the secretary or such other person as the Board may appoint for the purpose; and such director or manger or the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in the presence.

DIVIDENDS AND RESERVE

- 100 The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board but the company in general meeting may declare a lesser dividend.
- 101 Subject to the provisions of the Act, the Board may from time to time pay to the members such interim dividends of such amount on such class of shares and at such times as it may think fit.
- 102
- a. The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit.
 - b. The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.



- 103 a. Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.
- b. No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.
- c. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.
- 104 a. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company. There will be no forfeiture of unclaimed dividends before the claim becomes barred by law.
- b. The Board may retain dividends payable upon shares in respect of which any person is, under the transmission clause hereinbefore contained, entitled to become a member, until such person shall become a member in respect of such shares.
- 105 a. Any dividend, interest or other monies payable in cash in respect of shares may be paid by electronic mode or by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.
- b. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
- c. Payment in any way whatsoever shall be made at the risk of the person entitled to the money paid or to be paid. The Company shall not be responsible for a payment which is lost or delayed. The company will be deemed to having made a payment and received a good discharge for it if a payment using any of the foregoing permissible means is made.
- 106 Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.
- 107 No dividend shall bear interest against the company.

ACCOUNTS

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

WINDING UP

- 109 Subject to the applicable provisions of the Act and the Rules made thereunder -
- a. If the Company shall be wound up, whether voluntarily or otherwise, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide among the member, in specie or kind, the whole or any part of the assets of the Company whether they shall consist of property of same kind or not.
- b. For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.



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

INDEMNITY AND INSURANCE

- 110 a. Subject to the provisions of the Act, every Director, Managing Director, Whole-time Director, Manager, Company Secretary and other Officer of the Company shall be indemnified by the company out of the funds of the Company, to pay all costs, losses and expenses (including traveling expense) which such director, manager, company secretary and officer may incur or become liable for by reason of any contract entered into or act or deed done by him in his capacity as such director, manager, company secretary or officer or in any way in the discharge of his duties in such capacity including expenses.
- b. Subject as aforesaid, every Director, Managing Director, Whole-time Director, Manager, Company Secretary and other Officer of the Company shall be indemnified against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or discharged or in connection with any application under applicable provisions of the Act in which relief is given to him by the court.
- c. The company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the company for which they may be liable but have acted honestly and reasonably.

GENERAL POWER

- 111 Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorised by its Articles, then and in that cases this Articles authorizes and empowered the company to have such right, privilege, or authority and to carry such transactions as have been permitted by the Act without there being any specific Article in that behalf herein provided.

SECRECY

- 112 Every Director, Secretary, Manager, Auditor, Trustee for the Company, its members or debenture holders, member of a Committee, Officer, Servant, Agent, Accountant or other person employed in or about the business of the Company shall if so required by the Board, before entering upon his duties, sign a declaration pledging himself to observe a strict secrecy respecting all transactions of the Company with its customers and the state of accounts with individuals and in matters relating thereto, and shall by such declaration-pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the Board or by any General Meeting or by a Court of law and except so far as may be necessary in order to comply with any of the provisions contained in these Articles.

- 113 No shareholder or other person, not being a Director, shall be entitled to enter into or upon the premises or the property of the Company, or to inspect the Company's premises or properties or the books or the accounts of the Company except to the extent allowed by the Act and subject to such reasonable restrictions as the Company in General Meeting or the Board may impose in this behalf from time to time, without the permission of the Board or of the Managing Director for the time being, or require the 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 of trade or secret process or of any matter whatsoever which may



relate to the conduct of the business of the Company and which in the opinion of the Board/Chairperson or of the Managing Director will be inexpedient, in the interest of the members of the Company, to communicate.

Sl No	Name, Address, Occupation and Description of subscribers	Signature
1	NACHIMUTHU GOUNDER MAHALINGAM Mirasudar Sakthi Nilayam Nachimuthu Gounder Street Pollachi – 642 001	(sd) N Mahalingam
2	ALAGAPPA GOUNDER SUBRAMNANIYAM GOUNDER Landlord 44, North West Feeder Road Pollachi	(sd) A. Subramaniyam

Dated : 30 March 1955

Witness to the above signatures:

(Sd) V N S SARMA
Accountant
ABT (P) Limited
Pollachi

