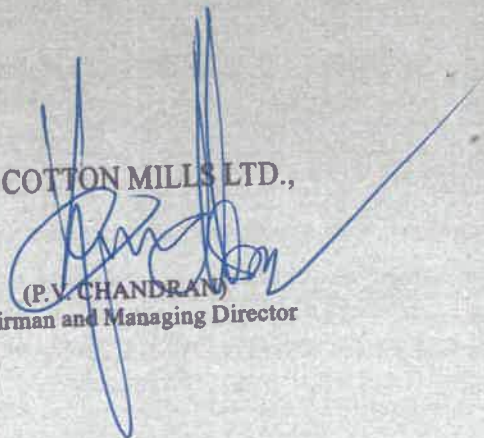


**MEMORANDUM OF ASSOCIATION
AND
ARTICLES OF ASSOCIATION
OF
AMBIKA COTTON MILLS LIMITED**

For AMBIKA COTTON MILLS LTD.,


(P.V. CHANDRAN)
Chairman and Managing Director

For AMRIKA COTTON MILLS LTD.

(P. V. CHANDRAN)
Chairman and Managing Director



Company Number : 18-16303

**FRESH CERTIFICATE OF INCORPORATION
CONSEQUENT ON CONVERSION U/S44**

In the office of the Registrar of Companies, Tamil Nadu, Coimbatore.
(Under the Companies Act, 1956 (1 of 1956))

IN THE MATTER OF * **AMBIKA COTTON MILLS PRIVATE LIMITED**

I hereby certify that " **AMBIKA COTTON MILLS PRIVATE
LIMITED** " which was originally incorporated on **SIXTH** day of **OCTOBER**
1988 under * Companies Act, 1956/and under the name "**AMBIKA COTTON
MILLS PRIVATE LIMITED**" * * * *

having duly passed the necessary resolution in terms of Section 44 of the
Companies Act, 1956 on 5-9-1994 the name of the said company is this day
changed to "**AMBIKA COTTON MILLS LIMITED**" * * * *

Certificate is issued pursuant to Section 23 (1) of the said Act.

Given under my hand at **COIMBATORE** this **FIFTH** day of **OCTOBER**
THIRTEENTH **ASVINA**

One thousand nine hundred and Ninety **FOUR**

One thousand nine hundred and **SIXTEEN** **(SAKA)**

For **AMBIKA COTTON MILLS LTD.**

- Seal -

(P.V. CHANDRAN)
Chairman and Managing Director

(Sd/-)

(**K. GOPALAKRISHNAN**)

Registrar of Companies
Tamilnadu
Coimbatore.

* Here give the name of the company as existing prior to the change.

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

2011年10月10日

2011年10月10日

FORM I R.



CERTIFICATE OF INCORPORATION

No. 18 - 16303 of 1998

I hereby certify that " **AMBIKA COTTON MILLS PRIVATE**
LIMITED " * * * *
* * * * *

is this day incorporated under the Companies Act, 1956, (No.1 of 1956)
and that the Company is Limited.

Given under my hand at **MADRAS**
this **SIXTH** day of **OCTOBER**
FOURTEENTH **ASVINA**

One thousand nine hundred and **EIGHTY EIGHT**
One thousand nine hundred and **TEN.** **(SAKA)**



(Sd/-)
(G. SRINIVASAN)
Registrar of Companies
TAMIL NADU

MEMORANDUM OF ASSOCIATION
OF
AMBIKA COTTON MILLS LIMITED

- I. The Name of the Company is "AMBIKA COTTON MILLS LIMITED".
- II. The Registered Office of the Company will be situated in the State of Tamilnadu.
- III. The objects for which the Company is established are :
 - (A) MAIN OBJECTS OF THE COMPANY TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION :
 1. To carry on the business of manufacturers, spinners, weavers, exporters, importers, distributors, traders, commission agents and dealers in Yarn of Cotton, nylon, terylene, silk, artsilk, rayon, wool, linen, jute, hemp, polyester, viscose, jarithread and any other fibre or fibrous substance whether natural or artificial, cloth, bedspreads, bedsheets, readymade garments, furnishing fabrics, fabrics, sarees, hosiery goods, textiles products and to act as manufacturers, processors, spinners, doublers, combers, weavers, balers, buyers, importers, exporters, distributors and or otherwise deal in industrial fabrics, woollen fabrics, woollen carpet yarn, woollen hosiery yarn, woollen carpet manufacturing.
 2. To carry on the business of convertors, exporters, importers, distributors, traders, commission agents and dealers in yarn of cotton, nylon, terylene, silk, artsilk, rayon, wool, linen, jute, hemp, polyester, viscose, jarithread and any other fibre or fibrous substance whether natural or artificial into cloth bedspreads, bedsheets, readymade garments, furnishing fabrics, fabrics, sarees, hosiery goods and other textile products.
 3. To establish a sizing unit and to carry on the business of sizing of yarn of cotton, nylon, hemp, polyester, viscose, jarithread and any other fibre or fibrous substance whether natural or artificial, and cloth, bedspreads, bedsheets, readymade garments,



furnishing fabrics, fabrics, sarees, hosiery goods, and other textile products and to carry on the business of exporters, importers, distributors, traders, commission agents and dealers, in sized yarn of cotton, nylon, terylene, silk, artsilk, rayon, wool, linen, jute, hemp, polyester, viscose, jari thread and any other fibre or fibrous substance whether natural or artificial in beams or otherwise and cloth, bedspreads, bedsheets, readymade garments, furnishing fabrics, fabrics, sarees, hosiery goods, and other textile products.

4. To establish a dyeing factory and to carry on the business of dyeing of yarn of cotton, nylon, terylene, silk, artsilk, rayon, wool, linen, jute, hemp, polyester, viscose, jari thread and any other fibre or fibrous substance whether natural or artificial and cloth, bedspreads, bedsheets, readymade garments, furnishing fabrics, fabrics, sarees, hosiery goods, and other textile products and to carry on the business of exporters, importers, distributors, traders, commission agents and dealers in dyed yarn of cotton, nylon, terylene, silk, artsilk, rayon, wool, linen, jute, hemp, polyester, viscose, jari thread and any other fibre or fibrous substance whether natural or artificial, and cloth, bedsheets, bedspreads, readymade garments, furnishing fabrics, sarees, hosiery goods and other textile products.

(B) THE OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF THE ABOVE MAIN OBJECTS ARE :

1. To enter into any contract, agreement, arrangements or other dealings in the nature of technical collaboration or consultants or otherwise, with foreign or Indian concerns, which may seem profitable to the company or render profitable any of the objects of this company.
2. To merchandise and to distribute, sell or otherwise dispose of the goods, products or articles manufactured or owned by the company and to establish agencies and to open branches therefor.
3. To insure any or all properties, godowns, stocks (in godowns or in transit) with any Insurance Company or companies against all kind of risk to this company.
4. To enter into partnership or into any agreements for sharing profits, amalgamation, union of interests, co-operation, joint adventure, reciprocal concession or otherwise, with any person, firm or company carrying on or engaged in or about to carry on or engage in any business or transaction which this company is authorised to carry on or and to lend money and to guarantee the contracts of or otherwise against any such person, firm or company, and to take place, or otherwise acquire and hold, shares or

securities of any such person, firm or company and to sell, hold, re-issue with or without guarantee or otherwise deal with the same.

5. To adopt such means of making known the products of the company as may seem expedient, and in particular by advertising in the press, by circulars slides, films, radio, television, by purchase and exhibition of works of art or interests by publication of books and periodicals and by granting prizes, rewards and donations.
6. To enter into any agreement or arrangement with any Government, State or authority Supreme, Municipal, Local, Railway or otherwise, that may seem conducive to the company's objects, or any of them and to obtain from such Governments, State or authority any right, privileges, concessions, or licenses which the company may think desirable to obtain and carry on and exercise and comply with any such arrangement, rights privileges and concession.
7. To invest the moneys of the company, not immediately required in such manner, as may from time to time, be determined and to vary such investments, as and when the Directors deem it necessary and convenient.
8. To open current or deposit account with any scheduled bank or bankers, shroff or merchant and to pay into and draw money from such accounts.
9. To lend money to such person or firms or companies and on such terms as may seem expedient, and in particular to customers and others having dealing with this company and to guarantee the performance of contracts by any such person or firms or companies, for the benefit of the company.
10. Without doing the business of banking as defined in the Banking Regulation Act, 1949, to borrow money on deposit repayable with interest for the purpose of financing the business of the company on such terms as may seem expedient, but subject to Companies (Acceptance of Deposits) Rules, 1975 or any other law that may be enacted from time to time.
11. To raise or borrow money from time to time for any of the purposes of the company or for the performance or discharge of any obligation or liability of the company, by bonds debenture or debenture stocks, perpetual or otherwise or of any other variety or promissory notes or by taking credits accounts current with any individual or firm, or with any bank or bankers, financial and lending institutions or others and whether with or without giving any security of goods or other articles, or by mortgaging or selling or receiving advances, on the sale of any lands, buildings, machinery, goods or other property of the company or by such other means as the Directors may in their

own absolute discretion deem expedient and to pay back, and redeem the assets pledged.

12. To draw, make, accept, endorse, discount, execute, and issue promissory notes, bills of exchange, warrants, bills of lading, debentures, and other negotiable and transferable instruments, without doing the business of Banking as defined in the Banking Regulation Act, 1949.
13. To take or concur in taking all such steps and proceedings as may seem best calculated to uphold and support the credit of the company and to obtain and to justify public confidence and to avert or minimise any financial disturbance which may affect the company.
14. To oppose by lawful means any legislative measures, bills or other applications which could or might, if passed, adversely affect the interests of the company and also to contribute funds to Associations or Trade Unions.
15. To apply for and take out, to purchase, to take on lease or otherwise acquire letters patent, brevets - D' inventions, copy rights, concessions, licenses, inventions, rights and privileges subject to royalty or otherwise and whether exclusive or non exclusive or limited or any part in such letters patents, brevets-D' inventions, concessions, licenses, inventions, rights and privileges whether in India or in any other part of the world.
16. To sell, let or grant any patent rights, brevets-D' inventions, concessions, licences, inventions, rights or privileges belonging to the company or which it may acquire or any interests in the same on such terms as may be deemed fit.
17. To register any patent or patents for any invention or inventions or to obtain exclusive or other privileges in respect of the same in any part of the world, and to apply for, any patent rights, brevets-D' inventions, concessions, or other rights or privileges, Acts of legislature or Provincial orders of Government, either in India or abroad, and to manufacture and to produce and trade and deal in all machinery, plant, articles, appliances, and things capable of being manufactured, produced or traded in by virtue of or in connection with any such letters patent, brevets-D' inventions, and concessions.
18. To experiment and incur expenses necessary for the purpose with a view to improving on the present methods of working in various lines and to carry on research for securing sufficient data to work on in the manufacture and production of machinery, instrument, and materials connected with the business which the company is authorised to carry on.

19. To take or otherwise acquire and hold shares in any other company having objects altogether or in part similar to those of this company.
20. Subject to the Provisions of the Companies Act, 1956, to sell, dispose of, transfer, exchange, issue, mortgage or otherwise deal with all the business undertakings, properties or rights of the company or any part of them for any consideration which the company may deem fit to accept and in particular for shares, debentures, or securities of any other company having objects altogether or in part similar to those of this company.
21. To amalgamate with any other company having objects altogether or in part similar to those of this company.
22. To amalgamate or dispose of, part with or exchange any of the business, undertaking, property or rights of the company, in consideration of shares, debentures, or securities of any other company to promote or advance the interests of the company.
23. To promote any company or companies for the purpose of acquiring all or any of the property, rights, and liabilities of this company.
24. To purchase or otherwise acquire or undertake the whole or any part of the business, goodwill, assets and liabilities of any person, firm or company carrying on or proposing to carry on for limiting competition or minimising expenditure or to mutual benefit or which is considered desirable and to continue, or to close, or result in whole or in part or abandon, and give up the same and pay for the same either by shares of this company or cash or by other assets possessed by the company or in any other manner.
25. To establish and support or aid in the establishment and support of associations, institutions, funds, trusts, places of educational institutions and recreations, hospitals, dispensaries, medical or other assistance of conveniences calculated to benefit employees or ex-employees of the company or the dependents or connections or families of such persons and to grant pensions and allowances to such persons and to form or subscribe to or otherwise aid benevolent, religious, scientific, national or other institutions or objects which shall have any moral or other claims to support or aid of the company by reason of the locality of its operation or otherwise.
26. To manage, superwise, or control the business or estate of any person or company or other undertakings, on such terms as the company may deem fit and for the purpose thereof to act as secretaries, trustees.

27. To grant pecuniary or other aid of free scholarship in full or part with or without boarding and lodging to any student or students or others selected by the Directors for studying, or receiving training in the manufacture or otherwise of the products specified above and kindred subject in India or in foreign countries with or without consideration of acquiring for the company his or their services after the completion of such course or courses of training.
28. To undertake and execute any trusts and undertaking where of may seem desirable, and either gratuitously or otherwise.
29. To act as Trustees, and Secretaries and Treasurers of other Companies, either in partnership or solely or under some other arrangement considered desirable with or without remuneration.
30. To pay for any property, rights or privileges acquired by the Company either in shares of the company or partly in cash and shares of the company or in the share of other assets held by the company.
31. To pay all the preliminary expenses and kind and incidental to the formation and incorporation of the company.
32. To distribute any of the company's property among the members in specie at the time of winding up.
33. Subject to the provision of section 78, to place, to reserve or to distribute as bonus shares among the members or otherwise to apply, as the company may from time to time think fit, any moneys received by way of premium on debentures issued at a premium by the company and any moneys arising from the sale by the company, of forfeited shares.
34. To create various kinds of reserves and modify or deal with such reserves as may be deemed fit or expedient from time to time.
35. To procure the company to be registered or recognised in any State and in any foreign country or place and do all lawful things for that purpose.
36. To undertake and execute any contracts for works involving or use of any machinery or other capacity available with the company.
37. To Subject, to sub-contract, any contract or work undertaken by the company.
38. To acquire the site and erect thereon buildings, workshops, godowns and the like required for the purpose of carrying on the business activities of this company.

39. To erect, construct, work, maintain, improve, or alter or assist in the erection, construction, working, maintenance, improvement, or alteration of any of the lands, mills, plants, machinery, buildings, carts, motors, and other conveniences belonging to the company and to spend moneys for the same and to pull down, rebuild and repair and of the same.
40. To purchase or otherwise acquire any lands, houses, offices, workshops, buildings, and premises, and any fixed and movable machinery, tools, engines, boilers, plants, implements, patterns and patent rights convenient to be used in or about the trade or business or products manufactured by engineers, founders, smiths or machinists or for the use of the company.
41. To acquire, construct and maintain factories, establishments, works and buildings, for all or any of the purposes aforesaid and to acquire or make machinery, implements and articles required to be used for any such purposes and to act as principals or agents for any branch of manufacturing or mercantile business to which Company's lands, moneys, establishments, property and servants may be conveniently applicable.
42. To construct, improve, maintain develop, work, manage, carry out or control any roadways, trainways, branches or sidings, bridges, reservoirs, watercourses, wharves, manufacturers', warehouses, electric works, shops, stores, and other works and convenience which may seem calculated directly or indirectly to advance the company's interest and to contribute to, subsidies or otherwise assist or take part in the construction, improvement, maintenance, working management, carrying out, or control thereof, and to pull down, rebuild or repair any of the same.
43. To buy, sell, import, export hire or let on hire, mortgage or repair, alter or improve or deal in any rights, property, building, machinery components, parts, accessories and fittings of all kinds needed or belonging to or owned by the Company or by any customer or persons having dealing with the company.
44. To take or let on lease, hire, purchase or acquire by licence or otherwise any lands, plantations, quarries, rights over or connected with lands, mills, factories, plants, buildings, works, vessels, boats, barges, launches, lorries, cars, carts, machinery, stock-in-trade, patents, inventions, trade marks, rights, privileges and movable and immovable property of any description which may be deemed necessary or convenient for any business which the company carries on.

C) THE OTHER OBJECTS FOR WHICH THE COMPANY IS ESTABLISHED ARE :

1. To carry on all or any of the businesses of mining, refining and preparing for market ores, minerals, metal and substances of every kind and description, and processing

them and trading in them and their products any by-product.

2. To carry on all or any of the businesses of prospecting, exploring, opening and working mines, drill sink shafts or wells and pump, refine, raise, dig and quarry for oil, petroleum, gold, silver, diamonds, precious stones, coal, earth, limestone, iron aluminium, titanium, vanadium, mica, aplite chrome, copper, gypsum, lead, manganese, molybdenum, nickel, platinum, uranium, rutile, sulphur tin, zinc, zircon, bauxite and tungsten and other ores and minerals.
3. To carry on all or any of the businesses of manufacturers of and dealers in organic and inorganic chemicals, petrochemicals, fertilizers, manures, pesticides, soda ash, caustic soda, calcium carbide, ethyl, alcohol, coaltar, hymedicines, ointments, essences, acids, toilet requisites, soaps, detergents, cosmetics, perfumes, dyes, paints, colours, pigments varnishes, inks, explosives, ammunition, fuels, oils, greases, lubricants, vegetable oils and cotton seed oils.
4. To carry on all or any of the businesses of engineers, founders, smelters, fabricators, smiths, metal, workers, mettalgists, electric and chromium platers, polisher, painter, tin smiths, lock-smiths, iron mongers, alloy markets and machinists and manufacturers of and dealers in machinery, tools, instruments and equipments of all kinds used in mining, refining, manufacturing and processing of ores, mineral goods and materials.
5. To carry on all or any of the businesses of manufacturers of dealers in hirers, repairers, and warehouses of aeroplanes, helicopters, cars, lorries, buses, vans, cycles, tractors, motor cycles, scooters, wagons, locomotives, earth moving equipments, ships, boats, barges, trawlers, submarines, and aircraft, vehicles and vessels of every description and their components and accessories.
6. To carry on all or any of the businesses of manufacturers of and dealers in forging, castings, and stampings of all metals, tools, bolts, nuts, nails, rivets, hinges, hooks, handles, buckets, bath tubs, tanks, trunks, metal furniture, sewing machines safes, chimneys, pipes, locks, dies, jigs, measuring tapes automobile parts, agricultural implements, armaments, tanks, guns and parts and components of all kinds of machinery.
7. To carry on all or any of the businesses of manufacturing, processing and dealing in iron and steel, ferro alloys, special steels, aluminium, copper, lead, zinc, and their alloys and products and manufacturing and dealing in industrial machinery, boilers, internal combustion engines, ball, roller and tapered bearings, tubes, cables, wires, pipes, cookers, printing machinery and textile machinery and their components and accessories.

8. To carry on all or any of the businesses of spinners, weavers cloth manufacturers, furriers, hosiers, dressmakers, tailors, hatters, outfitters, glovers, shoe makers, carpet makers and makers of jute goods, umbrellas, brushes, combs, razors, blades and scissors.
9. To carry on all or any of the businesses of manufacturers of and dealers in glass, glass products, including sheet and plate glass, optical glass, glass wool, laboratory ware, bottles, jars, containers, thermos-bottles, enamelware and receptacles of all kinds and wood products, including plywood, matches, furniture, boxes, windows, doors, tools and other articles and products in which timber or wood is used and to act as timber and lumber merchants and proprietors of saw mills.
10. To carry on all or any of the businesses of manufacturers of, dealers in, hirers and repairs of electrical machinery, equipment and appliances of all kinds and descriptions including motors, batteries, dynamos, bulbs, armatures, magnets, conductors, insulators, transformers, converters, switch board, air conditioner, refrigerators, domestic appliances and electronic equipments including radars, computers, business machines, radios, television sets, tape recorders, gramophones, records, tapes and telecommunication equipment and telephone equipment and their components and accessories, including transistors, resistors, condensers and coils.
11. To carry on all or any of the businesses of manufacturers and dealers in all types of rubber, leather, plastic, latex, celluloid, bakelite and similar goods, and their accessories and fittings, including types, tubes, rollers, rolls, shoes and packaging items.
12. To carry on all or any of the businesses of manufacturers of and dealers and workers in cement, lime, plasters, ceramic, sanitary fittings asbestos sheets, chinaware, whittings clay, gravel, sand, minerals, earth, coke, fuel and stone and builders requisites and conveniences of all kinds.
13. To carry on all or any of the businesses of makers of and dealers in scientific and industrial instruments of all kinds for indicating, recording, controlling, measuring and timing and machine tools, precision tools, surgical instruments and appliances and artificial limbs, dental and optical equipment and goods, anatomical, orthopaedic and surgical appliances of all kinds and providers of all requisites for hospitals, patients and invalids.
14. To carry on all or any of the businesses of manufacturers of and dealers in pulp and paper of all kinds, and articles made from paper or pulp and materials used in the manufacture or treatment of paper, including packaging goods and materials such as

bags, cartons, containers, and boxes whether made of paper, plastic or any other materials and pens, pencils and ball pens.

15. To carry on all or any of the businesses of goldsmiths, silver smiths, jewellers, gem and diamond merchants and of manufacturing and dealing in clocks, watches, jewellery and cutlery and their components and accessories and of producing, acquiring and trading in metals, bullion, gold, ornaments, silver utensils, diamonds, precious stones, paintings, coins, manuscripts, curious, antiques and objects of art.
16. To carry on all or any of the businesses of generating and distributing electricity, gas and heat and of manufacturing or dealing in all kinds of machinery, equipment and appliances required for generating, distributing, employing and consuming electricity and of acting as electrical engineers and contractors and of purifying and distributing water.
17. To carry on all or any of the businesses of constructing buildings, roads, bridges, dams, railways, ports and working as builders and contractors, architects, decorators and manufacturers and processors of and dealers in all kinds of building materials including bricks, tiles, marbles, hardware, cement, sanitary goods, road making materials and of acting as estate agents, brokers, managers of estates and properties and of acquiring premises on lease and giving them on sub-lease.
18. To carry on all or any of the businesses of cultivating, producing and dealing in agricultural products including foodgrains, cash crops, oil seeds, fruits, vines, vegetables, flowers, tea, coffee, cinchona, cotton, rubber, and the business of dairy farming, making of condensed and powdered milk, cream, cheese butter and other milk products and the business of poultry farming, live stock breeding and processing and canning of food articles, spices, fruits and vegetables and of cultivating and exploiting forests and utilising forest products.
19. To carry on all or any of the businesses of brewers, distillers, millers, bakers, butchers, confectioners and makers and manufacturers of and dealers in flour, rava, maida, biscuits, bread sugar, gur, khandsari, molasses, syrups, food articles of all types and description, cigarettes and other articles made of or with tobacco and aerated, mineral and artificial water, alcohol, beer, ale, wines, whiskies, and liquors of every description.
20. To carry on all or any of the businesses of carries of passengers and goods and merchandise by air, sea or surface transport and to maintain airways, shipping line, roadways, and other transport services and to act as clearing agents, forwarding agents, travel agents, charterers, tour agents and freight contractors.

21. To carry on all or any of the businesses as merchants, traders, commission agents, buying agents, selling agents, brokers, adatias, buyers, sellers, importers, exporters, dealers in, collectors, manufacturers of or in any other capacity and to import, export, buy, sell, barter, exchange, pledge, mortgage, advance upon or otherwise trade and deal in machinery, equipments, components, spare parts, goods, produce, articles and merchandise of any kind whatsoever and without prejudice to the generality of the forgoing, agricultural commodities, foodgrains cash crops, cotton, tea, jute, coffee, fruits spices, vegetables, flowers, milk, milk products, meat, seeds, raw materials required by industries, semi-finished products of industries and finished products of industries including, machinery equipment, chemicals, intermediates, electricals goods, textile yarns, garments furniture, minerals, ores and oils and as wholesalers or retailers on the basis of ready delivery or forward contracts or on commission basis.
22. To purchase, hold, take on lease or exchange, take on mortgage, and give on mortgage, hire or otherwise acquire and hold or deal in any movable or immovable property including lands, building, houses, flats, bungalows, shops, offices, godowns, patents, licences and any rights, interests, and privileges and to develop and turn them to account or let them out on rent.
23. To carry on all or any of the businesses of salt making, fishing, producing, distributing and exhibiting, films, of manufacturing and dealing in cameras and photographic equipments and materials, and of renting or hiring out or dealing in all kinds of machinery, equipment, furniture, vehicles, ships, automobiles, aeroplanes, fans, sewing machines, and other things.
24. To carry on all or any of the businesses of running hotels, restaurants, lodging houses, milk and snack bars, laundries, libraries, swimming pools, night clubs, hair dressing and beauty saloons, chemist shops, cold storages, cinemas, theatres, studios, exhibition halls, amusement centres, wine and beer shops, department stores, hospitals, clinics, nursing homes, maternity and family planning units, pathological laboratories, optician shops, message houses, concert and dancing halls, disclotheques, school, colleges and training institutions, circuses, sports clubs, skating halls, boating and padding pools, radio and television stations, garage and service stations, repair shops, petrol, pumps, gymnasiums, safe deposit vaults, warehouses, godowns, car parks, hangters and race courses.
25. To carry on all or any of the businesses of money lending, acting as finance brokers, of insurance and acting as insurance brokers and agents of underwriters, assessors, values, surveyors, mortgage brokers and undertaking the provision of hire purchase and credit sale finance and of acting as factors and brokers in any line of activity.

(Provided that nothing contained here shall enable the Company to carry on the business of Banking as defined in the Banking Regulations, Act, 1949).

26. To carry on all or any of the businesses and professions of providing services of all types including technical, administrative marketing and other office services and providing services of technicians, scientists, artists, administrators, salesmen, economists, accountants, tax experts, and of acting as recruitment agents, advertising agents, organisers of conferences, auctioneers, trustees, executors, administrators, attorneys nominees, and agents (and to exercise the power of custodians, trustees and trust corporation), and of working as professional consultants, on technical financial, management, productivity, taxation employment, investment, marketing, banking and economic problems and matters.
27. To carry on all or any of the businesses of procuring, developing and supplying technical know-how, patents, inventions, drawings, designs, and other scientific formulae, and processes for the manufacture or processing of goods and materials and for the installation erection of machinery of plant for such manufacturing and processing and for the working of mines, oil wells and other sources of minerals and deposits and for search and discovery and testing of mineral deposits and for carrying out any operations relating to agriculture, animal husbandry, dairy of poultry farming, forestry and fishing and of rendering services in connection with the provision of such technical know-how.
28. To carry on all or any of businesses of guaranteeing the performance of any contract or obligation of any company firm or persons and of guaranteeing the payment and repayment of the capital and principal of dividend, interest or premium payable on any stock, shares and securities, debenture stock, mortgage loan and other securities, issued by any company, corporation, firm or persons, including (without prejudice to the said generality) bank overdrafts, bills of exchange and promissory notes and generally of giving guarantees and indemnities and guaranteeing the fidelity of persons filling situations of trust or confidence or due performance of duties.
29. To carry on all or any of the businesses of undertaking or arranging for the writing and publication of books, magazines, journals or pamphlets on subjects relating to trade, commerce, industry, agriculture, medicine, banking, insurance, investment, taxation, finance, economics, law and other subjects.
30. To carry on the business of dealers and / or investors in metals, bullion, gold, silver, diamonds, precious stones, ornaments and jewellery and paintings and coins and manuscripts and objects of art, shares, stocks, debenture stock, bonds, obligations or securities by original subscriptions, participation in syndicates, tender, purchase,

exchange, or otherwise on the basis of forward contracts or ready delivery and to subscribe for the same or to guarantee the subscription thereof to exercise and enforce all rights and powers conferred by or incidental to the ownership thereof and holding any of the aforesaid or other things capable of being so held by way of investment.

31. To promote, organise, manage, or deal with Unit Trust, or and to hold, dispose of or deal with their shares and securities whether of fixed or variable return.
32. To make and enter into forward and speculative transactions and to accept and or cut double or single options, in jute, hessian, cloth, gunny bags, wheat, cotton, linseed, shares, securities, gold, silver, bullion, yarn, textile, products and any other goods, things or commodities.
33. To undertake, and or promoted research in economic, fiscal, commercial, financial, agricultural medical, industrial, mining, technical and scientific problems and matters.
34. To become member of other bodies of persons and associations, including societies, clubs, and companies limited by guarantee, whether formed for profit or for non-profit activities.
35. To carry on the business of undertaking and setting up projects on turn key basis.
36. To carry on the business of manufacturers or processors and / or importers, exporters, buyers, sellers, stockists, distributors and / or dealers in all or any of the following:
 - a. Starch and other sizing materials caustic soda and other textile intermediates and compounds.
 - b. Paper, paper board, straw-board, hard-board, fibre-board, chip-board, corrugated paper, transparent paper, craft-paper, carbons, inks parchments and corks.
 - c. Waterproof materials and fabrics, tarpaulins, American cloths, hosiery, oil cloth, linoleums and imitation leather.
 - d. Colours, paints varnishes, lacquers, pigment products, enamels and dyestuffs.
 - e. Elastomers, synthetic resins, carbon black, plastics latexes and other kinds of resins and plastic products and goods.
37. To carry on business of suppliers of plant, machinery and equipment, stores, tools, gadgets, decides, contraptions, instruments, spares and components and to develop, acquire, supply pans, drawings, estimates, project reports, and know-how for industries,

business, companies, services and public bodies, Governments and others.

38. To carry on business as manufacturers of and dealers in typewriters, calculating machines, computers, cleaners sewing and printing machines, air-conditioning equipments, air-conditioners, refrigerators, coolers, ice-cream manufacturing machinery and to maintain air-conditioned godowns for storage of goods.
39. To carry on business of production, distribution or exhibition of films and motion pictures including the construction, running and owning of theatres, cinemas and studios and conducting cinematographic shows and exhibitions.
40. To carry on business in India and / or elsewhere and at all their branches on their own account or otherwise as merchants, dealers, importers, exporters, factors, transporters, shippers, agents, adatias, commission agents, brokers and collectors of all or any of the foregoing articles or goods or such other articles, goods, things or commodities of every nature and description.

The objects set forth in each of the several clauses of paragraph III hereof shall have the widest possible construction and shall extend to all part of the world or word and the objects set forth in a clause of sub paragraph C shall, subject to the provisions of the Companies Act, 1956, be independent and shall in no wise be limited or restricted by reference from the terms of the clauses of sub paragraph A or by the name of the Company.

IV. The Liability of the Members is Limited.

- V. The Share Capital of the Company is Rs. 10,00,00,000/- (Rupees Ten Crores only) divided into 1,00,00,000 (One Crore only) Equity Shares of Rs. 10/- (Rupees Ten only) each, with the rights, privileges and conditions attaching thereto as are provided by the regulations of the company, for the time being, with the powers to increase or reduce the Capital, for the time being into several classes, and to attach thereto respectively such preferential, qualified or special rights, privileges or conditions as may be determined by or in accordance with the regulations of the company and to vary, modify or abrogate any such rights, privileges, or conditions in such manner as may, for the time being be provided for by the Articles of Association of the Company.

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

Name, Addresses and Description of subscribers	Number of shares taken by each subscriber	Signature of Subscribers	Sign. of witnesses & their Addresses Description & Occupations
I. P.V. CHANDRAN S/o. Subramanian 9-A, Valluvar Street Sivanandha Colony Coimbatore - 641 012. BUSINESS	50 (Fifty)	Sd.	Subscribers Sri. M. Rathanasamy, Sri. P.K. Ganeshwar & Sri. P.V. Chandran signed before me at Coimbatore. Sd./- K.N. RAVICHANDRAN, B.Com., ACA Chartered Accountant S/o. Sri. K.S. Narayanaswamy 163, Oppanakara Street, Coimbatore - 641 001.
II. M. RATHANASAMY S/o. S. Muthusamy Gounder 10, Kurinji Nagar Sheriff Colony Tirupur - 638 604. BUSINESS	50 (Fifty)	Sd.	
III. P.K. GANESHWAR S/o. K. Krishnasamy Gounder 21, Pollachi Road Palladam - 638 664 BUSINESS	50 (Fifty)	Sd.	
TOTAL	150 (One Hundred and Fifty only)		

Date this 7th September 1988

Place : COIMBATORE

ARTICLES OF ASSOCIATION
OF
AMBIKA COTTON MILLS LIMITED

1. The regulations contained in Table A in the First Schedule of the Companies Act, in so far as they have been repeated hereunder as well as those clauses of Table A which have not been specifically repeated, shall apply to the Company, together with such modifications and additions that are made hereunder.
2. In these regulations, all expressions shall have the same meanings as contained in the Act or any other statutory modifications thereof in force on the date at which these regulations become binding on the Company, and words signifying singular number shall include plural and vice versa, words signifying males shall extend to and include females also.
3. In these regulations the following terms shall have the respective meanings set forth below:

"Affiliate" means with respect to any Person, any other Person that directly, or indirectly through one or more intermediaries, Controls, is Controlled by, or is under common Control with, such first Person, and, if such Person is an individual, his or her Relatives.

"Articles" means these articles of association of the Company, as amended from time to time.

"Assets" means, with respect to any Person, all properties and assets, real and personal, tangible and intangible, of every type and description, whether owned or leased or otherwise possessed, used, held for use or usable in such Person's business, including contract rights, Intangible Property and the Company Contracts.

"Board" means the board of directors of the Company.

"Business Combination" means (i) an acquisition, merger, consolidation, amalgamation, share exchange, recapitalization, restructuring, spin-off or similar transaction involving the Company or a material Subsidiary of the Company, (ii) any sale, distribution or other disposition of all or a substantial portion of the assets of the Company, (iii) an acquisition by the Company of Control of any other entity, or (iv) an acquisition by the Company of all or a substantial portion of the assets or share capital of any other entity.

"Business Day" means any day on which commercial banks are open for business except for Saturday, Sunday and national or public holidays in Mumbai, Bangalore or Coimbatore, India.

"Charter Documents" means, with respect to any entity, the memorandum and articles of association, by-laws of the board of directors or other organizational documents of such entity.

"Company Securities" means (a) the ordinary equity shares of the Company, (b) any other class of equity shares of the Company approved by the Company in accordance with the Charter Documents of the Company, and (c) any depositary receipts of the Company at any time and from time to time and any equity, Rights or equity-linked securities distributed in respect of such shares or depositary receipts, as the case may be.

"Contract" means any agreement, contract, commitment, indenture, lease, license, instrument, note, bond, security, joint venture agreement, letter of intent, undertaking, promise, covenant or arrangement, which are in writing or oral.

"Control" means the possession, directly or indirectly, of the power to direct or cause the direction of the affairs or management of a Person through the ownership of voting securities, by contract or otherwise, including, without limitation, having the power to elect a majority of the board of directors or other governing body of such Person, and "Controlling" and "Controlled" have correlative meanings.

"Director" means a member of the Board.

"Disposition" (including, with correlative meanings, the terms "Dispose", "Disposed", Disposal and "Disposing") means any transfer, sale, assignment, exchange, pledge, hypothecation, gift, issuance, distribution, foreclosure or other disposition of any kind, voluntary or by operation of law or other involuntary means, directly or indirectly, for or without consideration.

"Entity" means a partnership, limited liability partnership, corporation, limited liability company, association, joint stock company, joint Hindu family, trust, estate, joint venture, or unincorporated organization or other legal person established or existing pursuant to the Laws of any jurisdiction.

"Fully Diluted Share Capital" shall mean the share capital of the Company computed assuming that all outstanding convertible securities (whether or not by their terms then currently convertible, exercisable or exchangeable) share options, warrants, including but not limited to any outstanding commitments to issue shares at a future date, have been so converted, exercised or exchanged.

"Independent Director" means an individual appointed to be a member of the Board who is an "independent director" as defined in the listing agreement executed by and between the Company and any Indian stock exchange on which the Company Securities are listed.

"Intangible Property" means, with respect to any Person, all certificates of deposit, bank accounts, securities, partnership or other ownership interests, rights to receive money or property by assignment, future interests, claims and rights against third parties, accounts and notes receivables owned or held directly or beneficially by or on behalf of the account of such Person or any of its Subsidiaries, licenses, Intellectual Property and any other intangible property of any nature of such Person or any of its Subsidiaries.

"Intellectual Property" means (a) any intellectual property or proprietary rights in any jurisdiction, whether owned or held for use under license, whether registered or unregistered, including such rights in (i) all inventions, invention disclosures, all improvements thereto (whether patentable or unpatentable and whether or not reduced to practice), and all issued patents, pending patent applications, and any and all divisions, continuations, continuations-in-part, reissues, continuing patent applications, reexaminations and extensions thereof, any counterparts claiming priority therefrom, utility models, design patents, utility models, patents of importation/confirmation, certificates of invention, certificates of registration and similar rights, (ii) all trademarks, service marks, certification marks, trade dress, logos, trade names, and corporate names, including all goodwill associated therewith, and all applications, registrations, and renewals in connection therewith, (iii) all works of authorship (whether or not copyrightable), all copyrights, all moral rights and all applications, registrations, and renewals in connection therewith, (iv) all trade secrets and confidential business information and rights to limit the use or disclosure thereof by any Person (including ideas, research and development, know-how, formulas, compositions, manufacturing and production processes and techniques, technical data, designs, drawings, specifications, customer and supplier lists, pricing and cost information, and business and marketing plans and proposals), (v) all computer software, operating systems, data files, source and object codes, user interfaces, manuals, databases, technical specifications and documentation and (vi) Internet domain names, (b) all copies and tangible embodiments of any of the foregoing (in whatever form or medium), (c) claims, causes of action or defenses relating to the enforcement of any of the foregoing, and (d) the goodwill associated with the foregoing.

"Investor" means Unit Trust of India Investment Advisory Services Limited having its registered office at UTI Tower, Gn Block, Bandra Kurla Complex, Bandra (East), Mumbai- 400 051, the appointed Trustees of UVF Private Equity Trust, a trust established under the Indian Trusts Act, 1882 and registered with the SEBI as a venture capital fund, and acting through its duly appointed manager: UTI Venture Funds Management Company Private Limited.

"Investor Securities/Investor Shares" shall mean and include the Company Securities held by the Investor.

"Ordinary Course of Business" means in the ordinary course of business of the Company and its Subsidiaries consistent with customary industry practices for companies operating textile mills in India and the commercially reasonable business practices of a financially stable widely-held publicly listed Indian company.

"Person" means an individual, Entity, or Governmental Authority.

"Promoter Securities" shall mean and include those Company Securities which are held by the Promoters and their Affiliates, as defined herein.

"Rights" means, with respect to any Person, any subscription, option, right, warrant, convertible or exchangeable security or other right, however denominated, to subscribe for, purchase or otherwise acquire any capital stock, other equity interest or other security of any class or series and of any issuer, with or without payment of additional consideration in cash or property, either immediately or upon the occurrence of a specified date or a specified event or the satisfaction or happening of any other condition or contingency.

"Seal" means the Common Seal of the Company.

"SEBI" means the Securities Exchange Board of India.

"Shareholder" shall mean the holders of the Company Securities at the relevant time.

"Shares" means equity shares of the Company, par value Rs. 10 per share.

"Subsidiary" shall have the meaning ascribed to it under Section 4 of the Act.

"Takeover Code" means the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, as amended, or any successor regulation thereto.

SHARE CAPITAL AND VARIATION OF RIGHTS :

4. The Authorised Share Capital of the Company is Rs. 10,00,00,000/- (Rupees Ten Crores only) divided into 1,00,00,000/- (One Crore only) Equity Shares of Rs. 10/- (Rupees Ten only) each.
5. The Company may, from time to time, and in accordance with the provisions of the Act, alter the conditions of its Memorandum and these Articles, for increasing or reducing, consolidating or sub-dividing as provided in Section 94(1-d) of the Act, converting into stock or re-converting or reclassifying the share capital of the Company or cancelling any shares not taken or of partly paid or reducing any capital redemption account or share premium account.
6. Subject to the provisions of Section 80, any preference shares may, with the sanction of an ordinary resolution, be issued on terms that they are, or at the option of the Company are liable, to be redeemed on such terms and in such manner as the Company before the issue of the shares may, by special resolution, determine.
7.
 - i) 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 sections 106 and 107, and whether or not the Company is being wound up, be varied with the consent in writing of the holders of three - fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class

- ii) To every such separate meeting, the provisions of these regulations relating to general meeting shall mutatis mutandis apply, 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 in question.
- 8. 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.
- 8A** No Pledging of Investors' Shares: The Investor shall not be required to pledge the Investor Shares or provide other support to any third party, including without limitation lenders to the Company, and the Company shall keep such Investor Shares unencumbered and free of Lien at all times.
- 9. Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in registered holder.

9A. Further Issue of Shares

- 1. Where at the time after the expiry of two years from the formation of the company or at any time after the expiry of one year from the allotment of shares in the company made for the first time after its formation, whichever is earlier, it is proposed to increase the subscribed capital of the company by allotment of further shares whether out of the unissued capital or out of the increased share capital then :
 - a) Such further shares shall be offered to the persons who at the date of the offer, are holders of the Equity Shares of the Company, in proportion, as near as circumstances admit, to the capital paid up on those shares at the date.
 - b) Such offer shall be made by a notice specifying the number of share offered and limiting a time not less than thirty days from the date of the offer and the offer if not accepted, will be deemed to have been declined.
 - c) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to them in favour of any other person and the notice referred to in sub clause (b) hereof shall contain a statement of this right. PROVIDED THAT the Directors may decline, without assigning any reason to allot any shares to any person in whose favour any member may renounce the shares offered to him.

- d) After expiry of the time specified in the aforesaid notice or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose off them in such manner and to such person(s) as they may think, in their sole discretion, fit.
2. Notwithstanding anything contained in sub-clause (1) thereof, the further shares aforesaid may be offered to any persons (whether or not those persons include the persons referred to in clause (a) of sub-clause (1) hereof) in any manner what so ever.
- a) If a special resolution to that effect is passed by the company in General Meeting, or
 - b) Where no such Special Resolution is passed, if the votes cast (Whether on a show of hands or on a poll as the case may be) in favour of moved proposal contained in the resolution moved in the General Meeting (including the casting vote, if any, of the Chairman) by the members who, being entitled to do so, vote in person, or where proxies are allowed by proxy, exceed the votes, if any, cast against the proposal by members, so entitled and voting and the Central Government is satisfied, on an application made by the Board of Directors in this behalf that the proposal is most beneficial to the Company.
3. Nothing in sub-clause (c) of (1) hereof shall be deemed :
- a) To extend the time within which the offer should be accepted : or
 - b) To authorise any person to exercise the right or renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.
4. Nothing in this Article shall apply to the increase of the subscribed capital of the company caused by the exercise of an option attached to the debenture issued or loans raised by the company :
- a) To convert such debentures or loans into shares in the Company : or
 - b) To subscribe for shares in the Company (Whether such option is conferred in these Articles or otherwise).

PROVIDED THAT the terms of issue of such debentures or the terms of such loans include terms providing for such option and such term :

- a) Either has been approved by the Central Government before the issue of the debentures or the raising of the loans or is in conformity with the Rules, if any, made by that Government in this behalf : and
- b) In the case of debentures or loans or other than debentures issued to or loans obtained from government or any institution specified by the Central Government in this behalf, has

also been approved by a Special Resolution passed by the Company in General Meeting before the issue of the debentures or raising of the loans.

9B. Shares at the Disposal of the Directors :

Subject to the provisions of section 81 of the Act and these Articles, the Shares in the capital of the company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms to such persons, in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of Section 79 of the Act) at a discount and at such time as they may from time to time think fit and with the sanction of the Company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares as the Directors think fit, and may issue and allot shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid up shares. Provided that option or right to call of Shares shall not be given to any person or persons without the sanction of the Company in the General Meeting.

9C. Term of Issue of Debenture :

Any debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise Debentures with the right to convert into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.

CERTIFICATES

10. i) Every member shall be entitled, without payment to one or more Certificates in marketable lots, for all the Shares of each class of denomination registered in his name, or if the Directors so approve (upon paying such fee as the Directors may from time to time determine) to Several Certificates, each for one or more of such Shares and the company shall complete and have ready for delivery such certificates within two months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every Certificate of Shares shall be under the seal of the Company and shall specify the number and distinctive numbers of Shares in respect of which it is issued and amount paid up thereon and shall be in such form as the Directors

may prescribe or approve, 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 of shares to one of several Joint holders shall be sufficient delivery to all such holder.

- ii) If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new Certificate may be issued in lieu thereon, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the company and payment of out of pocket expenses, if any, incurred by the company in this respect and on execution of such indemnity as the company deem adequate, being given, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every Certificate under the Article shall be issued without payment of fees for issue of new certificates in replacement of those which are old, decrepit or worn out or where there is no further space on the back space on the back thereof for endorsement of transfer or in lieu of lost or destroyed certificate.

- 11. i) The Company shall have a first and paramount lien upon all Shares (other than fully paid-up Shares) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not Called or payable at a fixed time in respect of such shares and no equitable interest in any Share shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividend and bonuses from time to time declared in respect of such shares. Unless otherwise agreed the registration of a transfer of shares shall operate as a waiver of the Company's lien if any, on such shares. The Directors may at any time declare any such shares wholly or in part to be exempt from the provisions of this clause.

- ii) The Company's Lien, if any, on a share shall extend to all dividends payable thereon.

- 12. The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien : Provided that no sale shall be made :-

- a) Unless a sum in respect of which the lien exists is presently payable : or
- b) Until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

- 13. i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.

- ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.
 - iii) The purchaser shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
14. i) The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.
- ii) The residue, if any, shall subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.
- 14A. The provisions of these Articles shall mutatis mutandis apply to the lien on debentures of the company.

CALLS ON SHARES

15. i) The Board may, from time to time, make calls upon the members in respect of any moneys unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times :
- Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.
- ii) An option or right to call on shares shall not be given to any person except with the sanction of the Company in General Meeting.
 - iii) 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.
 - iv) A call may be revoked or postponed at the discretion of the Board.
16. 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.
17. The joint holders of a share be jointly and severally liable to pay all calls in respect thereof.
18. i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, subject to the right of the Company to enforce the forfeiture provisions, the persons from whom the sum is due shall pay interest thereon from the date appointed for payment

thereof to the time of actual payment at five per cent per annum or at such lower rate, if any, as the Board may determine.

- ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.
19. i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
- ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
20. The Directors may, if they think fit, subject to the provisions of Section 92 of the Act, agree to and receive from any member willing to advance the same whole or any part of the moneys due upon the shares held by him beyond the sums actually called for and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the company may pay interest at such rate, as the member paying such sum in advance and the Directors agree upon provided that money paid in advance of calls shall not confer a right to participate in profits or dividends. The Directors may at any time repay the amount so advanced.

The members shall not be entitled to any voting in respect of the moneys so paid by him until the same would but for such payment, become presently payable.

The provisions of these Articles shall mutatis mutandis apply to the calls on debentures of the company.

TRANSFER OF SHARES; PREEMPTIVE RIGHTS

21. i) The instrument of transfer of any Share in the Company shall be executed by or on behalf of the transferor and transferee.
- ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
22. The instrument of transfer shall be in writing and all provisions of section 108 of the Act and statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof.
23. Subject to the provisions of Section 111 of the Act and Section 22A of the Securities Contracts (Regulation) Act, the Directors may, at their own absolute and uncontrolled discretion and by

giving reasons, decline to register or acknowledge any transfer of shares whether fully paid or not and the right of refusal, shall not be affected by the circumstances that the proposed transferee is already a member of the Company in such cases, the Directors shall within one month from the date on which the instrument of transfer was lodged with the Company, send to the transferee and transferor notice of the refusal to register such transfer provided that registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except when the Company has a lien on the Shares. Transfer of Shares / debentures in whatever lot shall not be refused.

24. i) No fee shall be charged for registration and transfer or transmission of shares or for registration of any probate, power of attorney, letters of administration, certificate of death or marriage or any other similar instruments.
25. The Board may decline to recognise and register any instrument of transfer unless the instrument of transfer is accompanied by certificate of the share to which it relates and such other evidence as the Board may reasonably require to show the right of the transferor to 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 share.
26. Subject to the provisions of Section 154, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine. Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty five days in the aggregate in any year.

26A Preemptive Rights

26A(i) Transfer Procedures.

- (a) No Promoter shall make any Disposition of any Shares owned by it, except in compliance with this Article 26A. Any such Disposition made by a Shareholder, other than a Disposition made in compliance with this Article, shall be null and void. All Dispositions of any Company Securities owned by any Shareholder shall be made in compliance with applicable securities Law.
- (b) To the full extent of its powers under applicable Law, the Company shall refrain from taking any action that would or could be viewed as recognizing or acknowledging any Disposition of Company Securities in violation of the terms and conditions of this Article.

26A(ii) Transfer to Affiliates. The Investor may, subject only to the requirements of Article 26A(vi), sell or otherwise transfer any or all of the Investor Shares to its Affiliates.

26A(iii) Disposition by the Promoters.

- (a) If at any time, one or more Promoters, individually or acting as a group (a "Selling Promoter"), propose to Dispose (other than pursuant to a bona fide pledge) of any Promoters Securities ("Sale Shares") whereby,
 - (i) Such a sale of shares by the Promoters, either collectively or individually, will result in the Promoter holdings in the Company to fall below 50% of the Fully Diluted Share Capital; or
 - (ii) Such a sale of Promoters Securities, either collectively or individually, exceeds 0.5% of the outstanding equity capital of the Company in a financial year;

then, such Selling Promoter shall, as a condition to such Disposition, permit and make proper arrangements with the proposed transferee to permit the Investor to Dispose of the Investor's Securities on the same terms and at the same price as that offered to the proposed transferee; provided, that the Investor shall not be required to make any representations and warranties other than representations regarding title to such Investor Securities held by it, or to provide any indemnities in respect of such transaction.

- (b) In connection with any transaction to which Article 26A(iii) shall be applicable, the Selling Promoter shall send a notice (the "Co-Sale Notice") to the Investor, setting forth the amount and nature of the consideration (which shall be limited to cash) per Share to be paid in the subject Disposition, the proposed closing date for such transaction and the other terms and conditions of such transaction. Not later than fifteen (15) days after the delivery of the Co-Sale Notice, the Investor (acting through the Investor Representative, if applicable) shall irrevocably elect whether or not to participate in such transaction on the terms set forth in the Co-Sale Notice and shall provide written notice to the Selling Promoter thereof; provided, that such election may be revoked at any time within thirty (30) days or more after it is made if such transaction has not been previously consummated; provided, further, that such thirty (30) day period shall be extended by an additional period of not more than fifty (50) days as reasonably necessary to permit the parties to obtain any regulatory approvals required in connection with such transaction. After electing to participate in such transaction, the Investor shall take such actions as may reasonably be requested by the Selling Promoter in order to facilitate the closing of the applicable transaction and to effectuate the provisions of Article 26A(iii); provided, that the Investor shall not be required to make any representations and warranties other than representations regarding title to the Investor Securities or provide any indemnities in respect of such transaction. The identity of the proposed purchaser and any other relevant information relating to the proposed purchaser shall be promptly disclosed to the Investor if it chooses to participate in the proposed transaction.

- (c) If the prospective purchaser(s) in any Disposition subject to this Article 26A(iii) is or are unwilling to buy all of the Sale Shares plus all of the Investor Shares tendered by the Investor pursuant to Article 26A(iii), then the Selling Promoter shall be obliged to withdraw the offer for Disposition unless specifically permitted in writing by the Investor.

26A(iv) Rights of First Offer.

- (a) Subject to any other transfer restrictions set forth in this Article 26A, if any Promoter, individually or acting as a group desires to Dispose ("Disposing Promoter") (other than pursuant to Article 26A(iii), a bonafide pledge or in a public equity offering) any or all of the Promoter Securities, it shall first give written notice ("Disposal Notice") to the Investor, stating the Disposing Promoter's desire to make such Disposition, the number of Shares proposed to be Disposed of (the "Offered Shares") and the price at which such Disposing Promoter proposes to Dispose of the Offered Shares (or in the case of an open offer pursuant to the Takeover Code, the cash price which the Disposing Shareholder expects to be paid for the Offered Shares in such open offer) and all other material terms and conditions of the offer. In the case of an open offer, such Disposal Notice shall be given by the Disposing Promoter within seven (7) days from the date of public announcement relating thereto.
- (b) Upon receipt of the Disposal Notice, the Investor (acting through the Investor Representative, if applicable), shall have the irrevocable and exclusive option to buy all or portion of the Offered Shares at the price specified in the Disposal Notice. Such option under this Article 26A(iv) shall be exercisable by a written notice (an "Election Notice") to the Disposing Promoter, given within seven (7) days from the date of the Disposal Notice.
- (c) If the Investor (acting through the Investor Representative, if applicable), shall have failed to deliver an Election Notice with respect to the Offered Shares within the period specified in Article 26A(iv)(b), or shall have failed to consummate the acquisition of the Offered Shares within ninety (90) days (other than in the case of an open offer) following the receipt of the Disposal Notice with respect to the Offered Shares, then the Disposing Promoter shall be free to sell the Offered Shares for a period of one hundred eighty (180) days after the date of the earliest such failure at any price in excess of the price set forth in the Disposal Notice, always subject to Article 26A(iii)(b). In the event the Disposing Promoter for any reason shall not have consummated a sale of the Offered Shares within such one hundred eighty (180) day period, such Disposing Promoter shall not sell the Offered Shares without again complying with the provisions of this Article 26A(iv); provided, that such one hundred eighty (180) day period shall be extended by an additional period of not more than fifty (50) days as may be reasonably necessary to permit the parties to obtain any regulatory approvals required for such sale.

- 26A(v) Deed of Adherence. No Promoter shall Dispose of all or any portion of the Promoter Securities owned by it to any of its Affiliates unless the Person acquiring such Shares, as a condition precedent to such acquisition, executes and delivers to the non-Disposing parties hereto, a Deed of Adherence, substantially in the form of Exhibit A hereto ("Deed of Adherence").
- 26A(vi) Dispositions by the Investor. The Investor shall not be restricted in any way from Disposing of all or any portion of Company Securities owned by it. The Company and the Promoters shall provide reasonable assistance to the Investor in creating exit options for the Investor Securities.

TRANSMISSION OF SHARES

27. i) On the death of a member, the survivor or survivors where the member was a joint holder, and his legal representatives where he was a sole holder, shall be the only persons recognised by the Company as having any title to his interest in the shares.
- ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
28. i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either-
- a) to be registered himself as holder of the share; or
- b) to make such transfer of the share as the deceased or insolvent member could have made.
- ii) 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.
29. i) 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.
- ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
- iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice 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.

30. 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 moneys payable in respect of the share until the requirements of the notice have been complied with.

30. A) ***Nomination by Shareholders :***

A holder or joint holders of shares of the Company may nominate, in accordance with the provisions of Section 109-A of the Companies Act, 1956 (including amendment thereto or any re-enactment thereof) and in the manner prescribed there under, any person to whom all the rights in the shares of the Company shall vest in the event of death of such holder(s). Any nomination so made shall be dealt with by the Company in accordance with and in manner prescribed under the provisions of Section 109-B of the Companies Act, 1956 or any other modification or re-enactment thereof for the time being in force.

30. B) ***Transmission of Securities by Nominees :***

A nominee, upon production of such evidence, as may be required the Board and subject to as hereinafter provided : -

Elect, either to be registered himself / herself as holder of the share or to make such transfer of the share as the deceased shareholder as the case may be, could have made;

If the nominee elects to be registered as holder of the share, himself / herself, as the case may be he / she shall deliver or send to the company a notice in writing signed by him / her stating that he / she so elects and such notice shall be accompanied with the death certificate of the deceased shareholder, as the case may be;

A nominee, upon becoming entitled to a share by reason of the death of the holder, shall be entitled to the same dividends and other advantages to which he / she would be entitled to, if he / she was the registered holder of the share except that he / she shall not, before being registered a member in respect of his / her share 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 such person to elect to be registered himself / herself or to transfer the share, and if the notice not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonus or other moneys payable in respect of the relevant share, until the requirements of the notice have been complied with.

FORFEITURE OF SHARES

31. If a member fails to pay any call or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or 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.
32. The Notice aforesaid shall :-
 - a) Name a further day (not being earlier than expiry of fourteen days from the date of service of notice) on or before which the 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 the call was made will be liable to be forfeited.
33. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.
34.
 - i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
 - ii) At any time before a sale or disposal as aforesaid the Board may cancel the forfeiture on such terms as it thinks fit.
35.
 - i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all moneys which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares.
 - ii) The liability of such person shall cease if and when the Company shall have received payment in full of all such moneys in respect of the shares.
36.
 - i) A duly verified declaration in writing that the declarant is a Director, the Manager or the Secretary, of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share.

- ii) The Company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of.
 - iii) The transferee shall thereupon be registered as the holder of the share.
 - iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
37. 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, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

CONVERSION OF SHARES INTO STOCK

38. The Company may, by ordinary resolution -
- a) Convert any paid up shares into stock ; and
 - b) Reconvert any stock into paid up shares of any denomination.
39. The holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances permit :
- 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.
40. 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.
41. 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" in these regulations shall include "Stock" and "Stockholder" respectively.

41. A) **Dematerialisation of Securities :**

For the purpose of this Article :

“Beneficial Owner” means a person or persons whose name is recorded as such with a depository;

“SEBI” means the Securities Exchange Board of India ;

“Depository” means a company formed and registered under the Companies Act, 1956, or any other body which has been granted registration to act as a depository under the Securities and Exchange Board of India Act, 1992 : and

“Security” means such Security or Securities of the Company as may be specified by SEBI from time to time.

Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its securities and to offer securities in a dematerialised form pursuant to the Depositories Act, 1996.

Every person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold the securities with a depository. Such a person who is the beneficial owner of the securities can at any time opt out a depository, if permitted by law, in respect of any security in the manner provided by the Depositories Act, and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required Certificate of Securities.

If a person opts to hold his security with a depository, the Company shall intimate such depository the details of allotment of the security and on receipt of the information, the depository shall enter in its record the name of the allottee as the beneficial owner of the security.

All securities held by a depository shall be dematerialised and be in fungible form. Nothing contained Sections 153, 153A, 153B, 187B, 187C and 372A of the Act shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.

Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owner.

Save as otherwise provided in the preceding clause as above, the depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.

Every person holding securities of the Company and whose name is entered as the beneficial owner in the record of the depository shall be deemed to be a member of the Company. The

beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities, which are held by a depository, by means of electronic mode or by delivery of floppies or discs.

Nothing contained in Section 108 of the Act or these Articles shall apply to a transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.

Notwithstanding anything in the Act or these Articles, where securities are dealt with by a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.

Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for securities issued by the Company shall apply to securities held with a depository.

The Register and Index of beneficial owners maintained by a depository under the Depositories Act, 1996, shall be deemed to be the Register and Index of Members and Security holders for the purposes of these Articles

SHARE WARRANTS

42. The Company may issue share warrants subject, and in accordance with the provisions of sections 114 & 115 ; and accordingly the Board may in its 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 Board may, from time to time, require as to the identity of the person signing the application 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 Board may from time to time require, issue a share warrant.
43. i) 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 expiry of two clear days from the time to deposit, as if his name were inserted in the register of members as the holder of the shares included in the deposited warrant.
- ii) Not more than one person shall be recognised as Depositor of the share warrant.
- iii) The Company shall, on two days' written notice, return the deposited share warrant to the Depositor.
44. i) 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.

- ii) 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 shares included in the warrant, and he shall be a member of the Company.

45. The Board may, from time to time, make rules as to the terms of which (if it 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

46. The Company may, from time to time by ordinary resolution increase the share capital by such sum to be divided into shares of such amounts, as may be specified in the Resolution.

47. The Company may, by ordinary resolution :

- a) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares :
- b) Sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the Memorandum subject, nevertheless, to the provision of clause (D) of sub-section (1) of Section 94;
- 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.

48. The Company may, by special resolution, reduce in any manner and with, and subject to any incident authorised and consent required by law :-

- A. Its Share Capital ;
- B. Any Capital redemption reserve account; or
- C. Any Share premium account

48. A) **Buy Back of Shares :**

Notwithstanding anything contained in these Articles, the Board of Directors may, when and if thought fit, buy back such of the Company's own shares or securities as it may think necessary, subject to such limits, upon such terms and conditions, and subject to such approvals, as may be permitted by law.

GENERAL MEETING

49. All General Meeting other than Annual General Meetings shall be called Extraordinary General Meeting.
50. i) The Chairman of the Board or the Managing Director or the Board itself in a meeting, if it so decides, call an Extraordinary General Meeting.
- ii) The Board of Directors may, on the requisition members, holding at the date of the deposit of the requisition not less than one - tenth of the paid up capital of the Company carrying the right of voting, call Extraordinary General Meeting and if the board does not within twenty one days of the date of a valid requisition for calling of the Extraordinary General Meeting, as aforesaid call for an Extraordinary General Meeting, the requisitionists themselves may proceed duly to call a meeting for consideration of those matters on a day not later than forty-five days from the date of the deposit of the requisition, and the provisions of section 169 of the Companies Act shall apply mutatis mutandis.

PROCEEDINGS IN GENERAL MEETING

51. The quorum for any meeting of the Company shall be 5 members present in person.
52. No business shall be transacted in any General Meeting unless the quorum of members is present within 15 minutes of the time fixed for the meeting. If within 15 minutes of the time fixed for the meeting, the quorum of members is not present, the meeting shall adjourn to the same day next week at the same time; and if even at the adjourned meeting there is no quorum, the members present shall constitute the quorum.
53. The Chairman, if any, of the Board shall preside as Chairman at every General Meeting of the Company.
54. If the Chairman, if any, of the Board of Directors is not present within fifteen minutes of the time appointed for holding the meeting or if he is not willing to preside, the members present may elect any one among them to act as the Chairman for such meeting.
55. i) The Chairman, may with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.
- ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

56. 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.
57. In the case of an 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 casting vote.
58. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
59. Subject to any rights or restrictions for the time being attached to any class or classes of shares:
- a) On a show of hands, every member present in person shall have a vote; and
 - b) On a poll, the voting rights of members shall be as laid down in section 87.

60. 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.

For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

61. 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.
62. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.
63. i) 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.
- ii) Any such objection made in due time shall be referred to the Chairman of the meeting, whose decision shall be final and conclusive.
64. The instrument appointing a proxy and the Power of Attorney or other authority, if any, under which it is signed or a notarially certified 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 proposed to vote or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

65. An instrument appointing a proxy shall be in either of the forms in Schedule IX to the Act or a Form as near thereto as circumstances admit.
66. 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.

DIRECTORS

67. The Directors of the Company on the date of adoption of these Articles are
1. SRI. P.V. CHANDRAN
 2. SRI. M. RATHANASAMY
 3. SRI. P.K. GANESHWAR
68. A Director shall not be required to hold any qualification shares in the Company and he need not be a member of the Company.
69. (a)



The Board shall consist of not more than fifteen directors



- (b) The Promoters hereby expressly undertake not to veto or otherwise obstruct the appointment of the Investors' Nominee Directors.
- (c) In the event the Board forms any committee, the Investor shall have the right to nominate representative(s) on that committee.
- (d) In the event, the Investor loses its right hereunder to nominate, remove and replace the Investor Nominee Director, the Director seat available previously reserved for the Investor

Director shall be filled by an Independent Director.

- (e) The Board shall at all times include the requisite number of Independent Directors as required under the Listing Agreements executed by the Company with the stock exchanges where its Shares are listed.
- (f) Each of the Shareholders agree to vote, in person or by proxy, all of the Company Securities owned by such Shareholder, at any extraordinary or ordinary general meeting of Shareholders of the Company called for the purpose of voting on the election of directors, in favor of the election of Directors nominated in accordance with this Article 69.
- (g) Management.
 - (i) The Board shall be required to approve any changes to senior management of the Company (including changes to the scope of responsibility of existing members of senior management).
 - (ii) The control of the Company vests in the Board and the Business and affairs of the Company shall be managed by the Directors who may exercise all such powers of the Company as are authorised by the Act or by these Articles, and not required to be exercised by the Company in General Meeting, but subject, nevertheless, to the provisions of the Act under these Articles and to any regulations not being inconsistent with these Articles from time to time, made by the Company in General Meeting, provided that no regulations so made shall invalidate any prior act of the Directors which should have been valid if such regulations had not been made. The Board shall duly comply with the provisions of the Act or any statutory modifications thereof for the time being in force in exercise of their powers, in particular relating to registrations of mortgages and charges, maintaining registers, filing of resolutions and returns under the various provisions of the Act.
 - (iii) Internal Approvals. The Board shall be required to review and approve all internal operating systems and controls, including procedures regarding the granting of signing authority to legally bind and/or commit the Company to take any course of action.
 - (iv) Cash Balance. The Board shall be required to approve the use of any unrestricted cash balance of the Company, other than uses that have been otherwise determined through policies and procedures approved by the Board.
 - (v) Financial Control and Reporting. The Board shall review the management, operating and financial reports of the Company prepared for distribution to Shareholders of the Company and the current disclosure and reporting processes utilized in the preparation of such reports. If in the judgment of the Board it is so required, the Company shall and shall cause the management of the Company to cooperate with the Board to redesign and/or enhance the scope of such reports such that they are satisfactory to the Board.

- (h) Chairman of the Board. The Board of Directors may from time to time elect one of their body to be the Chairman of the Board of Directors who shall have a casting vote in the event of any Board deadlock. The Chairman of the Board, when he is present at the meeting, shall be entitled to preside over all the meetings of the Board, or Committees of the Board and General Meetings of the Company, and conduct and regulate their proceedings. The Board may, from time to time, entrust and delegate to the Chairman any of the powers, functions and duties in the business and affairs of the Company and remunerate the Chairman for such services rendered to the Company in such manner as the Board may deem fit and necessary and subject to such approvals as may be necessary under the provisions of the Act.
70. The Board may, from time to time and subject to such approvals of the Central Government as may be considered necessary, and subject to the provisions of the Act, appoint one or more of their body to be the Managing Director or Directors or wholetime Director or Directors of the Company and vary such appointments as they deem fit.
71. The Managing Director(s) on appointment, shall have, subject to the control, supervision and direction of the Board of Directors of the Company, substantial powers of management of the affairs of the Company. The substantial powers of management, shall, in this context, mean the powers which the Board of Directors can exercise with reference to the management of the affairs of the Company as a Board and consequently the Managing Director(s) individually and / or jointly shall, on appointment, be capable of exercising all the powers of the Board, excepting the powers contained in Section 292 of the Act, which shall be exercised only at meetings.
72. The Whole-time Directors who may be appointed pursuant to Article 70 of these presents, shall have such powers of management and shall perform such functions as may be delegated to them by the Managing Director(s) and the Managing Director(s) may in this behalf grant a power of attorney, to such whole-time Director(s), if felt necessary. The whole-time Director(s) shall be entitled to continue to exercise the powers delegated or continue to act under the authority of the power of attorney, if any, notwithstanding the Managing Director(s) ceasing to hold office for any reason whatsoever.
73. The Managing / Whole-time Director(s) shall be paid such remuneration as the Board may determine, subject to the approval of the Company in General Meeting and of the Central Government, if any, necessary.
74. The Company shall also appoint Concurrent/Internal Auditors acceptable to the Investors. Such statutory auditors shall not be removed without the Investors' prior written consent.
75. In terms of any agreement or arrangement for, or in relation to, securing technical collaboration or financial participation or joint ventures or loan or other financial arrangement between the Company and any other person or body and, if provision is made in such agreement or

arrangement entitle such person or body to nominate one or more directors on the board of the Company, the board of directors shall co-opt such nominee or nominees of such person or body as director or directors of the Company, and the directors so co-opted shall not be liable to retire by rotation.

76. Every Director of the Company, including the nominated Directors, shall be paid out of the funds of the Company by way of sitting fees a sum as may be decided upon by the Board of Directors not exceeding Rs. 5,000/- for every meeting of the Board or any Committee thereof, attended by him. The Directors shall also be reimbursed with any reasonable travelling and halting expenses that may be incurred by them for the purpose of attending the meeting of the Board or any committee thereof.
77. Any Director may retire or resign from office upon giving one month's notice to the Company in writing and the resignation shall take effect automatically on the expiry of the notice period or earlier on the acceptance of the Board.
78. 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 Directors and additional Directors together shall not at any time exceed the maximum strength fixed by the articles. Such person shall hold office only upto the date of the next Annual General Meeting but shall be eligible for appointment by the Company as a Director at that meeting subject to the provisions of the Act.
79. The Directors, when holding office, shall satisfy the requirements of the various provisions of the Companies Act except as otherwise provided by these Articles.
80. All the Directors of the Company shall have, in all matters and subject to these Articles, equal rights and privileges and subject to the equal obligations and duties in respect of the affairs of the Company.
81. One third number of the Directors holding office excluding the nominee Directors, shall retire at each Annual General Meeting. The Directors retiring shall be those who had been longest in office and they shall be eligible for re-election. Specifically the Investor Nominee Director shall not be liable to retire by rotation in terms of this Article.
82. The Directors shall vacate office in any of the circumstances prescribed in Section 283 of the Act or upon a resolution for removal being passed Under Section 284 or if resolved by the Annual General Meeting not to re-elect them, on retirement by rotation. A person other than a retiring Director shall be eligible for seeking election as a Director at any Annual General Meeting if due notice thereof is given to the Company in accordance with the provisions of section 257 of the Act.
- 83 (a) Board Meetings. Meetings of the Board shall be convened at least once every calendar quarter or more frequently as determined by the Board. Any Director shall have the right to

call a meeting of the Board and to specify the items or business to be transacted thereat, and the secretary of the Company shall be required to call such a meeting on the request of any Director. All such meetings shall be conducted in English. Written notice for meetings of the Board specifying the time and place of such meeting and the agenda therefor shall be given not less than seven (7) days prior to the date of such meeting or three (3) days prior to the date of any adjourned meeting unless waived in writing by the Investor Nominee Director.

- (b) The Board of Directors may adjourn and otherwise regulate its meetings as it thinks fit. The Chairman or the Managing Director alone may, of their own volition or at the request of the other Directors, at any time, convene a meeting of the Board.
- (c) The quorum for a meeting of the Board shall be one third of its existing strength or two Directors, whichever is higher, provided that where at any time the number of interested Directors exceeds or is equal to two thirds of its strength, the Directors not interested and present at the meeting being not less than 2, shall form the quorum during such time.
- (d) The Chairman of the Board, if any, shall normally preside over the meetings of the Board of Directors. In his absence or on his failure to attend the meeting within 15 minutes of the time scheduled for the meeting, the Managing Director shall preside over the meeting. In the event of the absence of the Managing Director or his failing to attend the meeting within the 15 minutes of the time scheduled for the meeting, any Director present, chosen by the Directors present, shall preside over the Board meeting.
- (e) Questions arising at any meeting of the Board shall be decided by majority of votes and in case of equality of votes, the Chairman of the meeting shall have a second or casting vote.
- (f) Investor Consent Items. The Promoters and/or the Company shall obtain prior written approval of the Investors on any of the following matters before they are placed before the Board of Directors of the Company, as long as the Investors hold at least 2.5% of the Fully Diluted Equity Capital of the Company:
 - (i) amendment or modification of the Charter Documents of the Company (including, without limitation, the provisions of the Charter Documents relating to the composition or size of the Board, the rights granted to shareholders of the Company or the purposes of the Company);
 - (ii) any action by or the entering into of, any transactions that could reasonably be expected to result in a material change in the scope, nature and/or activities of the Company's business;
 - (iii) appointment, replacement, removal of the independent auditor of the Company;

- (iv) any action in furtherance of any liquidation, bankruptcy, suspension of payments, assignment to creditors or any similar matter, involving the Company;
- (v) any action that would result in any changes to any contract between the Company, on the one hand, and any of the Promoters or their Relatives, on the other, or enter into any such contract;
- (vi) any contract or transaction which would be required to be reported in the Company's financial statements pursuant to the Statement of Accounting Standards (AS 18) issued by the Council of the Institute of Chartered Accountants of India (other than (i) employment contracts and terms of employment of key management personnel who are not Promoters or Relatives (as defined by AS 18) of a Promoter; and (ii) transactions pursuant to a contract which has been consented to by, or approved pursuant to the affirmative vote of, the Investor (or an Investor Nominee);
- (vii) any binding or non-binding commitment in respect of, or take any other action in furtherance of, any actual or proposed Business Combination of any kind;
- (viii) declaration, setting aside, or payment of any dividends or any other distributions with respect to that fiscal year for which such dividends are declared or distributions are being made, or any changes in the dividend policy of the Company with respect to the Company's share capital (whether in cash, securities, property or otherwise), or redemption, purchase or other form of buy-back of any of the Company's share capital, or grant of any Rights to purchase or obtain (including upon conversion exchange or exercise) any of the share capital of the Company;
- (ix) any action that would result in the issuance of any equity securities or Rights of the Company (other than any issuance pursuant to any employee stock option plan or scheme that has been recommended by the compensation committee of the Board or approved by the Board);
- (x) sale, lease, transfer, assignment or other forms of divestiture or disposal of any of the Company's Assets in which the fair value of the Assets being transferred or the total consideration (in the form of cash or property and including any contingent consideration and any Indebtedness or other obligations assumed) to be paid to the Company in a transaction or a series of related transactions exceeds Rs. 2,000,000/- [Rupees Two Million], other than Assets sold, leased, transferred, assigned or otherwise disposed of in the Ordinary Course of Business;
- (xi) grant or imposition of any Lien on any of the Company's material Assets, other than in the Ordinary Course of Business; or

- (xii) Any new business initiatives that the Company wishes to undertake which do fall in the scope of its current areas of operation, viz cotton yarn spinning;
 - (xiii) Material deviations from the annual business plan as approved by the Board of Directors of the Company;
 - (xiv) Creation of new subsidiaries/joint ventures;
 - (xv) Approval of annual accounts
 - (xvi) Any changes to the accounting year
 - (g) The Board may also pass resolutions by circulation subject to the provisions of section 289 of the Act.
84. The Board may constitute one or more committees comprising the directors of the board and delegate any of its powers to such committees on such terms and conditions as the board may think fit and the board may also revoke or vary any such power granted to the committees so constituted.
85. Any committee so formed shall, in exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
86. A committee may elect its own Chairman for its meetings provided, however, if the Chairman or the Managing Director is a member of the Committee, they shall be the Chairman of that Committee.
87. A committee may convene and adjourn a meeting as it thinks proper and fit. Questions arising at any meeting of a committee, shall be determined by a majority of votes of the members present and in case of equality of votes, the Chairman shall have a second or a casting vote.
- 87A The Investor Nominee Director shall have the right to call meetings of any committee of which one or more of them is a member, and to be appointed to, sit on and to attend meetings of each of the committees of the Board (including, without limitation, the scientific, audit, nomination and compensation committees). Such committees shall be duly reconstituted, if necessary, to implement this Article 87A. In the event that the Investor Nominee Director qualifies to be appointed to the audit committee of the Board, the Investor Nominee Director may request permission from the chairman of such committee to attend and observe meetings of such committee. The audit committee of the Board shall convene at least once every calendar quarter.
- 88 The audit and compensation committees of the Board shall be constituted with a majority of Independent Directors.

89. All acts done by any meeting of the Board or of a Committee thereof or by any person acting as a Director, shall notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such Directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such Director or such person had been duly appointed and was qualified to be a Director.
90. Save as otherwise expressly provided in the Act, a resolution, in writing, signed by all the members of the Board or a Committee thereof, for the time being entitled to receive notice of a meeting of the Board or Committee, shall be as valid and effectual as if it had been passed at a meeting of the Board or Committee, duly convened and held.
91. In furtherance and without prejudice to the General Powers conferred by or implied in these Articles and subject to the provisions of sections 292 and 293 of the Act, it is hereby expressly declared that it shall be lawful for the Directors to carry on all or any of the objects set forth in the Memorandum of Association and in pursuance of any resolution of the Company in General Meeting, and Generally at their absolute discretion to do and perform every act and thing which they may consider necessary or expedient for the purpose of carrying on the aforesaid business of the Company.
92. Subject to sections 292 and 293 of the Act, the Board of Directors may from time to time at their discretion raise or borrow from any person and receive the payment of any sum of money, borrowed for the purposes of the Company and may themselves lend to the Company on any security or otherwise any sum of money, or arrange to obtain banking credits and other banking facilities and may generally exercise all the powers of borrowing and raising of money vested in the Company by the Memorandum of Association. Subject to the provisions contained hereinabove the Board may raise or secure the repayment or payment of any sums in such manner and upon such terms and conditions in all respects as they think fit and in particular, by the creation of any mortgage or charge on the undertaking of the whole or any part of the property, present or future, or uncalled capital of the company or by issue of bonds perpetual or redeemable, debentures or debenture - bonds of the Company charged upon all or any part of the property of the Company both present and future including its uncalled capital for the time being.
93. Subject to the provisions of sections 198, 309 and 314 of the Act, if any Director shall be called upon to perform and shall perform any extra service or services or make special exertions for any of the purposes of the Company, then and in such cases the Company may remunerate the Director so doing, by making such payment as the Board may determine.
94. Subject to the provisions and limitations contained in the Act, the Directors shall be entitled to contract with the Company and no Director shall be disqualified by having contracted with the Company as aforesaid.

SECRETARY

95. The Board may appoint any person it considers fit to hold office of Secretary for such period and on such terms and conditions as regards remuneration, duties and responsibilities as it may determine from time to time. The Secretary shall have such powers and duties as may from time to time be delegated or entrusted to him by the Board and / or the Chairman, and / or the Managing Director(s), and / or wholetime Director(s).
96. The Board, the Managing Director(s) or whole-time Director(s) may appoint at any time and from time to time by power of attorney under the common seal of the Company any person to be the attorney of the Company for such purposes and for such period and subject to such conditions as it may be thought fit, necessary and proper and any such power of attorney may contain such provisions for the protection or convenience of the persons dealing with such attorney as the Board, the Managing Director(s) or Whole-time Director(s) may think fit.
97. Any power of attorney appointed under the foregoing clause may be remunerated in such manner as the persons appointing the attorney may deem fit and necessary.
98. The Board shall provide for the safe custody of the Seal of the Company.
99. The Seal of the Company shall not be affixed to any instrument except by the authority of a resolution by the Board or a Committee of the Board authorised by it in that behalf, and except in the presence of at least 2 Directors and of the Secretary or such other persons as the Board may appoint for purpose; and those two directors and the Secretary or other person authorised shall sign every instrument to which the Seal of the Company is so affixed in their presence.

DIVIDENDS AND RESERVE

100. The Profits of the Company, subject to any special rights relating thereto, created or authorised to be created, shall be divisible among the equity shareholders.
101. The Company in General Meeting shall declare a dividend but no dividend shall exceed the amount recommended by the Board.
102. No dividend shall be payable except out of the Profits of the year or any other undistributed profits except as provided by sections 205 and 208 of the Act.
103. The Board may, before recommending any dividends, set aside out of the profits of the Company, such sums as it thinks proper, as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalising dividends; or carry forward any profits which it may think prudent not to divide or set aside.

104. The Board may from time to time pay to the members such interim dividends as appear to it to be justified from the profits of the Company.
105. 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 that shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any 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 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.
106. The Board may deduct 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.
107. Any dividend, interest or other moneys payable in cash in respect of shares may be paid by cheque or warrant sent through the post direct 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.
108. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
109. Any one of two or more joint holders of a share may give effectual receipts for any dividends, bonuses, or other moneys payable in respect of such share.
110. Notice of any dividend that may have been declared shall be given to the person entitled to share therein in the manner mentioned in the Act.
111. No dividend shall bear interest against the Company.
112. A. ***Unpaid or Unclaimed dividend :***

Where the Company has declared a dividend but which has not been paid or the dividend warrant in respect thereof has not been posted within 42 days form the date of declaration to any shareholder entitled to the payment of the dividend the company shall within 7 days from the

date of expiry of the said period of 42 days, open a special account in that behalf in any scheduled bank called "Unpaid Dividend of AMBIKA COTTON MILLS LIMITED" and transfer to the said account, the total amount of dividend which remains unpaid or in relation to which no dividend warrant has been posted.

Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of three years the date of such transfer, shall be transferred by the company to the general revenue account of the Central Government. A claim to any money may be preferred to the Central Government by the Share Holders to whom the money is due.

No unclaimed or unpaid dividend shall be forfeited by the Board.

ACCOUNTS

113. The board shall cause proper books of accounts to be kept in respect of all sums of money received and expended, by the Company and the matters in respect of which such receipts and expenditure take place, of all sales and purchases of goods by the Company and of the assets and liabilities of the Company. The Books of account shall be kept at the Registered Office of the Company or at such other place as the Board may think fit.

CAPITALISATION OF PROFITS

114. The Company may, in General meeting, on the recommendation of the Board, resolve :

- a) that the whole or any part of any amounts standing to the credit of the share premium account, capital redemption, reserve account, or moneys, investments or other assets forming part of the undivided profits standing to the credit of the general reserve, reserve or any reserve fund and available for distribution as dividend be capitalised; and

The Board shall give effect to such resolution and generally do all acts and things required to give effect to such resolution.

- b) The Board shall have full power :

- i) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares or debentures becoming distributable to fractions; and also

- ii) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalisation, or (as the case may require) for the payment up by the Company on their behalf, by the application thereto their respective proportions of the profits

resolved to be capitalised, of the amounts or any part of the amounts remaining unpaid on their existing shares.

AUDIT

115. The Company, at the Annual General Meeting in each year, shall appoint an Auditor or Auditors to hold office from the conclusion of that meeting until the conclusion of the next Annual General Meeting and their remuneration shall be fixed in such manner as the Annual General Meeting may decide.
116. Every Balance Sheet and Profit & Loss account shall be audited by one or more Auditors of the Company, who shall make a report to the members of the Company on the Accounts in the manner prescribed.
117. The qualifications for appointment as Auditors shall be as prescribed under the Act.
118. All notices of and other communications relating to any General Meeting of the Company shall also be sent to the Auditors who shall be entitled to attend any General Meeting and to be heard at any General Meeting on any part of the business which concerns him as Auditor.

INDEMNITY

119. Every Director, Managing Director, Manager, Secretary or Officer of the Company or any person (whether an Officer of the Company or not) employed by the Company as auditor, shall be indemnified out of the funds of the Company against all liability incurred by him as such Director, Managing Director, Manager, Secretary, Officer or Auditor in defending any proceedings, whether Civil or Criminal, in which Judgement is given in his favour or in which he is acquitted, or discharged or in connection with any application under section 633 of the Act in which relief is granted to him by the Court.

SECRECY

120. No shareholder or other person, not being a Director, shall be entitled to enter 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 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 or of the Managing Director, will not be expedient, in the interests of the members of the Company, to communicate.

WINDING UP

121. i. If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.
- ii) For the purpose aforesaid, the liquidator may set value as he deems fair, upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.
- iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustee upon such trusts for the benefit of the contributories as the liquidator, with the like sanction, shall think fit, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

Name, Addresses and Description of subscribers	Signature of Subscribers	Sign. of witnesses & their Addresses Description & Occupations
I. P.V. CHANDRAN S/o. Subramanian 9-A, Valluvar Street Sivanandha Colony Coimbatore - 641 012. BUSINESS	Sd.	
II. M. RATHANASAMY S/o. S. Muthusamy Gounder 10, Kurinji Nagar Sheriff Colony Tirupur - 638 604. BUSINESS	Sd.	
III. P.K. GANESHWAR S/o. K. Krishnasamy Gounder 21, Pollachi Road Palladam - 638 664 BUSINESS	Sd.	

Subscribers Sri. M. Rathanasamy, Sri. P.K. Ganeshwar & Sri. P.V. Chandran signed before me at Coimbatore.

Sd./- **K.N. RAVICHANDRAN**, B.Com., ACA

Chartered Accountant

S/o. Sri. K.S. Narayanaswamy
163, Oppanakara Street, Coimbatore - 641 001.

Date this 7th September 1988

Place : COIMBATORE

EXHIBIT

FORM OF DEED OF ADHERENCE

THIS DEED OF ADHERENCE (the "Deed") dated as of [] is executed and delivered by [Transferee], a [type of entity] organized and existing under the laws of [jurisdiction] (the "New Shareholder").

THIS DEED IS SUPPLEMENTAL to the Shareholders' Agreement (the "Shareholders' Agreement") dated as of May 19, 2005 by and among the Company, the Investor and the Promoters (all terms as defined therein, together, the "Existing Parties") and shall be deemed to be part of the Shareholders' Agreement and together with the Shareholders' Agreement shall form a single agreement among the parties (including, without limitation, the New Shareholder) to the Shareholders' Agreement, and is subject to all the terms and provisions of the Shareholders' Agreement. Capitalized terms set forth herein but not defined shall have the meanings assigned to them in the Shareholders' Agreement.

WHEREAS pursuant to the Articles of Association of the Company and Section 2.5 of the Shareholders' Agreement, the New Shareholder and the Existing Parties desire to enter into this Deed to provide for the inclusion of the New Shareholder as a party to the Shareholders' Agreement in the place of [transferor].

NOW THEREFORE, the parties hereto hereby agree as follows:

- (a) By execution and delivery of this Deed, the New Shareholder will be legally bound thereby to all the rights and obligations of [transferor] under the Shareholders' Agreement hereby assigned and assumed by the New Shareholder.
- (b) By execution and delivery of this Deed, the New Shareholder hereby represents to the Promoters, the Investors and the Company that the assignment to it of the number of Shares specified in Schedule 1 hereto has been consummated.
- (c) The New Shareholder hereby confirms that a copy of the Shareholders' Agreement has been made available to the New Shareholder. The New Shareholder and the Existing Parties covenant and agree that the New Shareholder shall be entitled to and shall observe, perform and be bound by all the rights, privileges, liabilities and obligations of [transferor] under the Shareholders' Agreement which are capable of applying to the New Shareholder, and that the New Shareholder shall be deemed to be a party to the Shareholders' Agreement in the place of and instead of [transferor] with effect as of the date hereof.
- (d) The New Shareholder represents and warrants to the Existing Parties that its execution of this Deed has been duly authorized and that such execution or compliance with its terms will not violate any of the terms and provisions of its statutory documents or any judgment, decree or order or any Law applicable to it.

- (e) The principal location and address of the New Shareholder (to which all communications and notices to the New Shareholder are to be sent) is:

[Address]

Facsimile No.: []

Attention: []

By written notice to the other parties to the Shareholders' Agreement, the New Shareholder may change the address to which communications and notices to the New Shareholder should be sent.

- (e) The Deed shall be governed in all respects by the laws of India.

Executed as of the day and year first before written.

Signed by the NEW SHAREHOLDER

Signature of the NEW SHAREHOLDER

in the presence of:

Witness name

Witness address

Witness signature

Witness occupation

Schedule 1

Witness occupation
Transferor

New Shareholder

Company Securities
Transferred