



ENTERED INTO THE COMPUTER  
CO. NO. 09-14127 DOG. NO. 2  
DATE OF REGISTRATION 3.8.2000

Registrar of Companies

THE COMPANIES ACT, 1956

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

CHAMRAVATTOM REGULATOR AUTHORITY OF KERALA LIMITED

## 1. CONSTITUTION

The Regulations contained in Table A in the First Schedule appended to The Companies Act, 1956, shall apply in so far as the same may be applicable to Public Limited Companies, except the provisions which are not applicable to a Government Company and those which are specifically provided in these Articles.

The name of the company has been changed as Kerala Irrigation & Power Development Corporation Ltd. under section 21 of the companies Act, 1956, with effect from 6.8.00.

Post REGISTRAR OF COMPANIES

3.8.2000

KERALA

NO: 4085  
29.7.2000 Rs.1000/-

1A  
V.J. KURIAN, Promoter of the proposed  
company "Chamravattom Regulators  
Authority of Kerala Limited" under  
incorporation.

K. C. DASAN  
K. C. DASAN  
E S R O. VENDOR

REC. NO.

90595  
REG. NO.

09-12014R

A. O. 18  
02/08/2000

N 500

A 0

T\*\*\*\*\*500

DRAFT

14642

03/08/2000

ARP

## 2. INTERPRETATION

In these presents the following words and expressions shall have the following meanings unless excluded by the subject or context :

- " The Act" or "The Said Act" shall mean The Companies Act, 1956 or any statutory modification or re- enactment thereof for the time being in force. /
- " Board" means the Board of Directors for the time being of the Company.
- " Board Meeting" means a meeting of the Directors duly called and constituted or the Directors assembled at a Board meeting.
- " The Company" means **CHAMRAVATTOM REGULATOR AUTHORITY OF KERALA LIMITED.**
- " Directors" includes Alternate Directors for the time being of the Company whether in meeting assembled or not.
- " Executors" or "Administrators" means a person who has obtained probate or letters of Administration, as the case may be, from competent Court.
- " Government" means Government of Kerala. /
- " Governor" means the Governor of Kerala
- " Interested Director" means any Director whose presence cannot by reason of Section 300 of the Act, count for the purpose of forming a quorum at meeting of the Board, at the time of the discussion or vote on any matter.
- " Members" means members of the Company holding a share or shares of any class.
- " Month" means a calender month.
- " Office" means the Registered Office of the Company.
- " Paid – up" shall include credited as paid – up. /
- " Persons" includes corporations, companies, firms and individuals. /
- " These presents" or " These Regulations" or " These Articles" shall mean these Articles of Association as now formed or altered from time to time and shall include these provisions in Memorandum where the context otherwise requires.
- " The Register" means the Register of Members to be kept in pursuant to the Act.
- " Seal" means the Common seal for the time being of the Company. /
- " Shares" means the shares or stock into which the capital is divided and the interest corresponding with such shares or stock.
- " Secretary" means an individual with prescribed qualifications appointed to perform the duties of the Secretary under the Act.
- " Section" or " Sec" means the Section of the Act.
- " Special Resolution" shall have the meaning assigned thereto by Section 189 of the Act.

23  
" In writing" and " Written" includes printing, lithography, type writing, computer print and any other modes representing or reproducing words in a visible form.

"Year" means a Calendar Year and " Financial Year" means the period from 1<sup>st</sup> April of every year to 31<sup>st</sup> March of the succeeding year.

Words importing the singular number include the plural number and vice versa.

Words importing the masculine gender also include feminine gender.

Save as aforesaid, words and expressions not specifically defined in these Articles shall, except where the subject or context forbids, have the same meaning as assigned to them in the Act.

## **SHARE CAPITAL**

### **3. SHARE CAPITAL**

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] Equity shares of Rs.10/- [Rupees Ten only] each, with power to increase or reduce Capital in accordance with the provisions of The Companies Act, 1956.

### **4. ALLOTMENT OF SHARES**

The allotment of shares shall exclusively be vested in the Board of Directors who may, in their absolute discretion, allot such number of shares as they think proper and thereupon the fact of allotment shall be communicated to the allottee by means of a letter. The board shall have absolute discretion to reject any application without assigning any reason whatsoever.

### **5. FURTHER ISSUE OF CAPITAL**

The Board may at any time increase the subscribed capital of the Company by issue of new shares out of the un-issued part of the share-capital in the original or subsequently created capital subject to the provisions contained in Section 81 of The Companies Act, 1956.

### **6. ALTERATION OF CAPITAL**

The Company in General Meeting may from time to time by ordinary resolution alter the conditions of its Memorandum of Association as provided in Section 94 of the Act, in respect of the share capital.

### **7. POWER TO ISSUE SHARES OF DIFFERENT CLASSES**

Without prejudice to any special rights conferred on the holders of any shares or classes of shares, any shares in the company may be issued with such preference or

(1)

other special rights or such restrictions whether in regard to dividend, return of capital or otherwise, as the company may from time to time by ordinary resolution determine.

#### **8. POWER OF GENERAL MEETING TO OFFER SHARES TO SUCH PERSONS AS THE COMPANY MAY RESOLVE**

In addition to and without derogating from the powers for that purpose conferred on the Board under Article, the Company, by a special resolution in general meeting may determine that any shares (whether forming part of the original capital or of any increased capital of the company) shall be offered to such persons in such proportions and on such conditions and either at par or at a premium or at a discount (subject to the compliance with the provisions of Section 79 of The Companies Act, 1956) and at such times as they may from time to time think fit and proper.

#### **9. PREFERENCE SHARES**

Subject to the provisions of Section 80 of the Act, the Company shall have the power to issue preference shares which are, or at the option of the company are liable to be redeemed. The Board may at its discretion convert any part or parts of the un-issued equity shares into preference shares or redeemable preference shares and vice-versa.

#### **10. POWER TO PAY COMMISSION**

The Company may at any time pay commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares, debentures or debenture-stock of the Company or procuring or agreeing to procure subscriptions (whether absolutely or conditionally) for any shares, debentures or debenture-stock of the Company as per the provisions of Section 76 of The Companies Act, 1956. The Company may also pay such brokerage as may be lawful on any issue of shares or debentures.

#### **11. ISSUE OF SHARES OTHER WISE THAN FOR CASH**

The Board may issue and allot shares in the capital of the company as payment or part payment for land or any other property leased out, sold or goods transferred or machinery or appliances supplied, or for services rendered to the Company or for expenses and any shares may be allotted as fully paid-up shares and if so issued shall be deemed to be fully paid-up shares.

#### **12. CALLS ON SHARES**

Subject to the provisions of Section 91 of the Act, the Board may, from time to time, make such calls as they think fit upon the members in respect of all moneys unpaid on the shares held by them respectively. Where any calls for share capital are made on shares, such calls shall be made on a uniform basis on all shares falling under the same class. For the purpose of these articles, shares of the same nominal value on

.

which different amounts have been paid up shall not be deemed to fall under the same class.

### **13. COMPANY'S LIEN ON SHARES**

The Company shall have a first and paramount lien upon all shares other than fully paid-up shares registered in the name of any member, either alone or jointly with any other person and upon the proceeds of sale thereof for all moneys called or payable at fixed time in respect of such shares and such lien shall extend to all dividends from time to time declared in respect of such shares.

### **14. FORFEITURE OF SHARES**

If any member fails to pay any call or instalment of the call on the day appointed for the payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve notice on him requiring him to pay so much of the call or instalment as is unpaid, together with interest accrued and any expenses incurred by reason of such non-payment. If the member fails to pay the call or instalment due within the period specified in the notice, the Board may, by a resolution, forfeit such shares in respect of which the payment is due and sell or otherwise dispose off the same whereupon such person shall cease to be a member in respect of the forfeited shares.

## **TRANSFER OF SHARES**

### **15. TRANSFER OF SHARES**

1. Shares in the Company shall be transferred by an instrument in writing in the form prescribed under Section 108 of The Companies Act, 1956, duly stamped and executed both by the transferor and the transferee and the transferor shall be deemed to remain holder of the shares until the name of the transferee is entered in the Register of Members.
2. The Board may at any time in their absolute discretion and without assigning any reason decline to register any transfer of shares, whether fully paid-up or not, and whether the transferee is a member of the Company or not and may also decline to register any transfer of shares on which the Company has a lien.
3. If the board refuses to register any transfer or transmission, they shall within two months from the date on which the instrument of transfer or the intimation of such transmission was delivered to the Company send notice of the refusal to the transferee and the transferor or the person giving intimation of such transmission as the case may be.
4. In case of such refusal by the Board, the decision of the Board shall be subject to the right of appeal conferred by Section 111 of the Act.

5. Provided that registration of any 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 a lien on the shares.
6. Any shares held by a person on behalf of the Governor shall be transferred to another person as and when so desired by the Governor.
7. Where any shares are held by any person on behalf of the Governor of Kerala while holding an office in the Government and when he ceases to hold that office by transfer, resignation, retirement, death or any other reason whatsoever, the Company shall take necessary steps within 45 days thereof with the Government for getting such shares to be transferred in the name of the new incumbent to that office or to such other person as may be nominated by the Government of Kerala. Until such time the shares are transferred in the name of the new incumbent or such other person, the predecessor will be treated as a shareholder of the company having all the rights to which a member of the Company is entitled as a member.
8. The instrument of transfer shall after registration remain in the custody of the Company.

## **GENERAL MEETINGS**

### **16. ANNUAL GENERAL MEETING**

The company shall in each year hold in addition to the other meetings a General Meeting which shall be styled as its Annual General Meeting at intervals and in accordance with provisions specified below.

- a) The First Annual General Meeting of the company shall be held within 18 months of its incorporation.
- b) The next Annual General Meeting of the Company shall be held within six months after the expiry of the financial year in which the first Annual General Meeting was held and thereafter the Annual General Meeting shall be held by the Company within six months after the expiry of each financial year, subject however to the power of the Registrar of Companies to extend the time within which such a meeting can be held for a period not exceeding three months and subject thereto not more than fifteen months shall elapse from the date of one Annual General Meeting and that of the next.
- c) Every Annual General Meeting shall be called for a time during business hours on a day that is not a public holiday under the Negotiable Instruments Act and shall be  
  
held either at the Registered Office of the Company or at some other place within the city, town or village in which the Registered Office of the Company is situated.
- d) Notice calling such meetings shall specify them as Annual General Meeting.



## **17. EXTRA ORDINARY GENERAL MEETING**

All General Meetings other than the Annual General Meeting shall be called Extra-Ordinary General Meeting.

## **18. CONVENING OF EXTRAORDINARY GENERAL MEETINGS**

The Board may whenever they think fit convene an Extraordinary General Meeting at such time and at such place as they deem fit. Subject to the directions if any given by the Board, the Secretary may convene Extraordinary General Meetings.

## **19. EXTRA ORDINARY GENERAL MEETINGS BY REQUISITION**

1. The Board on the requisition of such number of members of the company as is specified below proceed duly to call an Extraordinary General Meeting of the Company and comply with the Provisions of the Act in regard to meetings on requisition.
2. The requisition shall set out the matters for the consideration of which the meetings is to be called, shall be signed by the requisitionists and shall be deposited at the Registered Office of the company or sent to the company by registered post address to the company at its Registered Office.
3. The requisition may consist of several documents in like form each signed by one or more requisitionists.

## **20. LENGTH OF NOTICE FOR CALLING MEETING**

A General Meeting of the company may be called by giving not less than 21 days notice in writing, provided that a General Meeting may be called after giving shorter notice if consent thereto is accorded in the case of Annual General Meeting by all the members entitled to vote there at and in the case of any other meeting, by members of the company holding not less than 95 % of that part of the Paid-up-Share Capital which gives the right to vote on the matters to be considered at the meeting. Provided that where any members of the company are entitled to vote only on some resolution or resolutions to be moved at a meeting and not on the others, those members shall be taken into account for purpose of this Article in respect of the former resolution or resolutions and not in respect of the latter.

## **21. ACCIDENTAL OMISSION TO GIVE NOTICE NOT TO INVALIDATE MEETING.**

An accidental omission to give notice of any meeting to or the non-receipt of any such notice by any of the members shall not invalidate the proceedings of, or resolution passed at such meeting.



## **22. SPECIAL BUSINESS**

- a) All business shall be deemed special that is transacted at an Extraordinary General Meeting and also that is transacted at Annual General Meeting with the exception of business relating to.
  - i) the consideration of the Annual Accounts, Balance Sheet, Reports of the Directors and Auditors;
  - ii) the declaration of dividend;
  - iii) the appointment of Directors in the place of those retiring.
- b) Where any items of business to be transacted at the meeting are deemed to be special as aforesaid, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each such item of business, including in particular the nature of the concern or interest, if any, therein of every Director of the Company. Where any item of business consists of the according of approval to any document by the meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.

## **PROCEEDINGS AT GENERAL MEETING**

### **23. QUORUM**

Five members personally present shall be quorum for a General Meeting and no business shall be transacted at any General Meeting unless the requisite quorum is present, at the time when the meeting proceeds to business.

### **24. IF QUORUM NOT PRESENT WHEN MEETING TO BE DISSOLVED AND WHEN TO BE ADJOURNED.**

If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if called upon the requisition of members, shall be dissolved and in any other case it shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time as the Board may determine and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting the members present shall be quorum.

### **25. CHAIRMAN OF GENERAL MEETING**

1. The chairman of the Board of Directors shall preside as Chairman at every General Meeting of the company.
2. If there is no such Chairman, or if at any meeting he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as Chairman of the meeting, the members present shall choose another director as Chairman of the meeting, and if no Directors be present or if all the Directors decline to take the chair, then the members present shall choose someone of their number to be Chairman of the meeting.

## **26. ADJOURNMENT OF THE MEETING**

The Chairman may, with the consent of any meeting at which a quorum is present and shall, if so directed by the meeting, adjourn that meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid, it shall not be necessary to give notice of an adjournment or of the business to be transacted at an adjourned meeting.

## **27. QUESTIONS AT GENERAL MEETING HOW DECIDED.**

At any General Meeting, a resolution put to vote of the meeting shall be decided on a show of hands unless a poll is, before or on the declaration of the result on the show of hands, demanded in accordance with the provisions of Section 179 of the Act. Unless a poll is so demanded a declaration by the Chairman that a resolution has, on a show of hands, been carried unanimously or by particular majority or lost and an entry to that effect in the book of the proceedings of the company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against that resolution.

## **28. CASTING VOTE**

In the case of an equality of votes, the Chairman shall, both on a show of hands and on a poll, have casting vote in addition to the vote or votes to which he may be entitled as a member.

## **29. TAKING OF POLL**

1. If a poll is duly demanded in accordance with the provisions of Sections 179 of the Act it shall be taken in such manner as the Chairman directs, and the result of the poll shall be deemed to be decision of the meeting on the resolutions on which the poll was taken.
2. Where a poll is to be taken the Chairman of the meeting shall appoint one or more scrutinisers to scrutinise the votes given on the poll and to report to him thereon.
3. On a poll a member entitled to more than one vote, or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all votes he uses.

## **30. IN WHAT CASES POLL TAKEN WITHOUT ADJOURNMENT.**

A poll demanded on the election of Chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other questions shall be taken at such time not being later than 48 hours from the time when demand was made, as the Chairman may direct.

10

### **31. NO MEMBER ENTITLED TO VOTE WHILE CALL DUE TO THE COMPANY**

No member shall be entitled to vote either personally or by proxy at any General Meeting or Meeting of a class of shareholders either upon a show of hands or upon a poll in respect of any shares registered in his name on which any call or other sums presently payable by him have not been paid or in regard to which the company has, and has exercised, any right of lien.

Subject to the provisions of these Articles, and without prejudice to any special privileges or restrictions as to voting for the time being attached to any class of shares for time being forming part of the capital of the company, every member, not disqualified by the last preceding Article, shall be entitled to be present and to speak and vote at such meeting, and on a show of hands every member present in person shall have one vote and upon a poll the voting right of every member present in person or by proxy shall be in proportion to his share of the paid – up equity share capital of the Company provided, however, if any preference share holder be present at any meeting of the Company, save as provided in clause (b) of sub- Section (2) of Section 87 of the Act, he shall have a right to vote only on resolutions placed before the meetings which directly affect the rights attached to the preference shares.

### **32. VALIDITY OF VOTES**

1. 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.
2. Any such objection made in due time shall be referred to the Chairman of the meeting whose decision shall be final and conclusive.

### **33. BUSINESS MAY PROCEED NOTWITHSTANDING DEMAND FOR POLL**

A demand for a poll shall not prevent the continuance of the meeting for the transaction of any other business than that on which a poll has been demanded. The demand for a poll may be withdrawn at any time by the person or the persons who made the demand.

### **34. PROXIES PERMITTED ON POLLS**

On a poll votes may be given either personally or by proxy

### **35. INSTRUMENT OF PROXY**

1. The instrument appointing a proxy shall be in writing under the hands of the appointer or his attorney duly authorised in writing, or if the appointer is a Corporation either under the Common Seal or under the hands of an officer or attorney so authorised. Any person may act as proxy whether he is a member or not.
2. A corporate body (whether a company within the meaning of the Act or not) may, if it is a member or a creditor or a debenture holder of the company, by the

resolution of its Board of Directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the company or at any meeting of any creditors of the company held in pursuance of the Companies Act or any rules made there under or in pursuance of provisions contained in any Debenture or Trust deed as the case may be. The person so authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which he represents, as that body could exercise if it were an individual member, creditor or holder of debenture of the company.

3. So long as an authorisation under clause (2) above is in force the power to appoint proxy shall be exercised only by the person so appointed as representative.

### **36. PROXY TO BE DEPOSITED AT THE OFFICE**

The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or notarially certified copy of that power of authority, shall be deposited at the Registered Office of the Company, not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.

### **37. VALIDITY OF VOTE BY PROXY**

A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death of the appointer or the revocation of the proxy, or the transfer of share in respect of which the proxy is given, provided that no intimation in writing of the death, revocation or transfer shall have been received at the Registered Office of the Company before the commencement of the meeting or adjourned meeting at which the proxy is used.

### **38. FORM OF PROXY**

The instrument appointing a proxy shall be in one of the forms prescribed in Schedule IX of the Act or a form as near thereto as circumstances admit.

### **39. TIME FOR OBJECTIONS TO VOTES**

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

12

#### **40. CHAIRMAN OF ANY MEETING TO BE THE JUDGE OF VALIDITY OF ANY VOTE**

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

#### **41. MINUTES**

1. The Company shall comply with the requirements of Section 193 of the Act, in respect of keeping of the minutes of all proceedings of every General Meeting and every meeting of the Board or any Committee of the Board.
2. The Chairman of the meeting may exclude at his absolute discretion such of the matters as, or could reasonably be regarded as, or defamatory of any person, irrelevant or immaterial to the proceedings or detrimental to the interests of the Company.

### **DIRECTORS**

#### **42. NUMBER OF DIRECTORS**

Until otherwise determined by the Company in General meeting and subject to Sections 252 and 259 of the Act, the number of Directors, including the Chairman, the Managing Director and such Whole Time Directors, shall not be less than three and not more than Twelve.

#### **43. SHARE QUALIFICATION OF DIRECTORS**

A Director shall require no share qualification.

#### **44. APPOINTMENT OF DIRECTORS**

Subject to the provisions of The Companies Act, 1956, the Government of Kerala shall have the right to nominate such number of members to the Board of Directors of the Company from among the senior officers of the State or Central Government, any Corporation or undertaking owned by them in proportion to the paid – up capital held by them. The remaining number of Directors, if any, except the Nominee Directors of Financial Institutions or Banks which have advanced money by way of long-term loans not below the limit as may be fixed by the Board of Directors, shall be elected by the shareholders in the General Meeting.

The Government shall have the power to change or withdraw the nomination of any Director appointed by it at any time at its absolute discretion and nominate another person in the vacancy resulting there from.

15

The **First Directors** of the Company shall be the nominees of the Government of Kerala viz.,

1. Mr. V.P.RAMAKRISHNA PILLAI, Minister for Irrigation
2. Mr. PALOLI-MOHAMMED KUTTY, Minister for Local Administration
3. Mr. ELIAS GEORGE, Secretary for Irrigation
4. Mr. K.M.ABRAHAM, Secretary for Finance – Resources
5. Mr. S.M.VIJAYANAND, Secretary for Local Administration
6. Mr. MOHAMMED SALIH, Chief Engineer, Irrigation and Administration
7. Mr. V.J.KURIAN, Special Officer, Chamravattom Regulator Authority

#### **45. REMUNERATION OF DIRECTORS**

Subject to the provisions of The Companies Act, 1956, a Director who is in the whole-time employment of the Company may be paid remuneration as may be decided by the Board and with the approval of the Government of Kerala.

#### **46. SPECIAL REMUNERATION TO DIRECTORS PERFORMING EXTRA SERVICES**

If any Director be called upon to perform extra services or special exertions or efforts (which expression shall include work done by a Director as a member of any committee formed by the Directors) the Board may arrange with such Director for payment of special remuneration either by a fixed sum or otherwise as may be determined by the Board with the sanction of the Company in General Meeting and with the consent, if any, required of the State or central Government and such remuneration may be either in addition to or in substitution for his remuneration above provided.

#### **47. SITTING FEE**

The members of the Board of Directors other than those in Government service shall be entitled to such sitting fees for attending the meeting of the Board of Directors or Sub-committee thereof, as may be fixed by the Board of Directors. In addition to the remuneration payable to them in pursuance of the Act, the Directors may be paid all travelling, hotel and other expenses, incurred by them for attending and returning from meetings of the Board of Directors or any committee thereof or General Meetings of the Company or in connection with the business of the Company in such manner and at such rates as may be fixed by the Board.

#### **48. ADDITIONAL DIRECTOR**

The Board of Directors shall have the power at any time and from time to time to appoint any other person as a Director as an addition to the Board but so that the total number of Directors shall not at any time exceed the maximum number fixed. Any Director so appointed shall hold office only up to the date of the next Annual General Meeting of the Company.

#### **49. ALTERNATE DIRECTOR**

The Board may appoint an Alternate Director to act for a Director (hereinafter called the Original Director) during his absence for a period of not less than three months from the state of Kerala in which the meeting of the Board are ordinarily held. However, the appointment of an Alternate Director to act in place of a Director nominated by the Government of Kerala shall be made by the Board subject to the directions of the Government.

Every such Alternate Director, shall subject to his giving to the Company an address in India at which notice may be served on him, be entitled to notice of meeting of Directors and to attend and vote as a Director and be counted for the purpose of quorum and generally at such meetings to have and exercise all the powers and duties and authorities of the Original Director. The Alternate Director shall not hold Office as such for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to the State of Kerala. If the terms of Office of the Original Director is determined before he returns to the State of Kerala, any provision in the Act or these Articles for the automatic re-appointment of retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.

#### **50. NOMINEE DIRECTOR**

Subject to the provisions of the Companies Act, 1956 and notwithstanding anything to the contrary contained in these Articles, any Financial Institution, Body Corporate or Bank (hereinafter referred to as Institutions), shall have a right to appoint, remove, re-appoint, substitute from time to time, its nominee as a Director (hereinafter referred to as 'the Nominee Director') on the Board of Directors of the Company, so long as any moneys remain owing to them or any of them by the Company out of any financial assistance granted by them or any of them to the Company by way of loan and / or holding debentures and / or shares in the Company and / or as a result of direct subscription or underwriting and / or liability of the Company arising out of guarantee furnished by the Institution on behalf of the Company remains outstanding pursuant to an agreement between the Institution and the Company.

The Nominee Director shall not be required to hold qualification shares and shall not be liable to retire by rotation. The appointment or removal of the Nominee Director shall be made in writing by the Institution and shall be delivered to the Company at its Registered Office. The Board of Directors of the Company shall have no powers to remove the Nominee Director from office. Each such Nominee Director shall be entitled to attend all General Meetings, Board Meetings and Meetings of the committee of which he is a member, and he and the Institution appointing him shall also be entitled to receive notices of all such meetings. The Nominee Director shall be paid all remuneration, fees, allowances, expenses and other monies to which other Directors are entitled.

## **51. CASUAL VACANCY**

The Government or the Board shall have the right to nominate any person to fill any casual vacancy caused by retirement, removal, resignation, death or otherwise of any Director appointed by them. The person so appointed shall hold office up to the date on which the Director in whose place he is appointed would have held office if it had not been vacated.

## **52. TENURE OF OFFICE**

A person who becomes member of the Board of Directors by virtue of the office he holds, he shall cease to be a Director when he ceases to hold that office unless otherwise decided by the Government or by the Board.

## **53. CONTINUING DIRECTORS MAY ACT**

The continuing Directors may act, notwithstanding any vacancy in the Board, but so that if their number falls below the minimum number of Directors fixed, the Directors shall not except for the purpose of filling up vacancies, act so long as the number is below the minimum.

## **54. RIGHTS OF DIRECTORS**

Except as otherwise provided by these Articles, all the Directors of the Company shall have in all matters equal rights and privileges and be subject to equal obligations and duties in respect of the affairs of the company.

## **55. RETIREMENT OF DIRECTORS**

1. Subject to the provisions of Section 255 and 256 of The Companies Act, 1956, one, third of the total number of Directors (including the Chairman and the Managing Director) shall not be liable to retire by rotation.
2. The remaining Two-third Directors shall be liable to retire by rotation and if eligible shall be entitled to be re-elected in accordance with the provisions of the Act.

## **PROCEEDINGS OF MEETING OF THE BOARD OF DIRECTORS**

## **56. MEETING OF THE BOARD**

The Board may meet for the despatch of business, adjourn and otherwise regulate the meetings, as they think fit; provided that a meeting of the Board shall be held at least once in a quarter and at least four such meetings shall be held in every year subject to the provisions of Section 285 of the Act.



10

The Managing Director / Secretary may with the concurrence of the Chairman convene a Meeting of the Board of Directors as and when necessary. They shall, on the requisition of a minimum of  $\frac{1}{3}^{\text{rd}}$  of the total number of Directors (any fraction contained in that  $\frac{1}{3}^{\text{rd}}$  being rounded off as One) at any time summon a meeting of the Board.

#### **57. QUORUM**

The quorum for a meeting of the Board shall be one-third of its total strength (any fraction contained in that  $\frac{1}{3}^{\text{rd}}$  being rounded off as one) or two Directors which ever is higher; provided that where at any time the number of interested Directors is equal to or exceeds two-thirds of total strength, the number of the remaining Directors, that is to say the number of the Directors who are not interested, present at the meeting being not less than two shall be the quorum during such time. The total strength of the Board shall mean the number of directors actually holding office as Directors on the date of the resolution or meeting, that is to say, the total strength of Board after deducting there from the number of Directors, if any, whose places are vacant at the time.

The term “ interested director ” means any Director whose presence cannot by reason of Section 300 of the Act count for the purpose of forming a quorum at meeting of the Board, at the time of discussion or vote on any matter.

If a quorum shall not be present within fifteen minutes from the time appointed for holding a meeting of the Board, it shall be adjourned until such date and time as the directors present by unanimity decide.

#### **58. QUESTIONS HOW DECIDED**

Save as otherwise expressly provided in the Act, a meeting of the Board for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under the regulations of the Company for the time being vested in or exercisable by the Directors generally and all questions arising at any meeting of the Board shall be decided by a majority of the Board.

In case of an equality of votes, the Chairman shall have a second or casting vote in addition to his vote as a Director, provided that the Chairman shall not have a casting vote at the election of the Chairman of the Board.

#### **59. CHAIRMAN**

The Minister in charge of Irrigation Department in the Government of Kerala shall be the Chairman of the Board of Directors of the Company, until otherwise decided by the Government.

If at any meeting of the Board of Directors, the Chairman is not present within fifteen minutes after the time appointed for holding the meeting, the Directors present may choose one of their members to be the Chairman of that meeting.

## **60. DELEGATION OF POWERS OF BOARD TO COMMITTEES**

The Board may, subject to the provisions of the Act, delegate any of its powers to a committee or committees consisting of such member or members of its body as it thinks fit. Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

## **61. CHAIRMAN OF THE MEETING OF COMMITTEES**

If the Chairman of the Board of Directors is a Member of a committee, he shall preside over all meetings of that committee. If the Chairman is not a member of a committee, the Board shall nominate one among the members of that committee to be the Chairman. If the Chairman of the committee is not present within fifteen minutes after the time appointed for holding the meeting, the members of the committee present may choose one of their members to be the Chairman of the Meeting.

## **62. QUESTIONS HOW DETERMINED**

A committee may meet and adjourn as it thinks proper.

Questions arising at any meeting of a Committee shall be determined by the sole member of the Committee or by a majority of votes of the members present as the case may be, and in case of an equality of votes, the Chairman shall have a second or casting vote in addition to his vote as a member of the Committee.

## **63. ACTS DONE BY BOARD OR COMMITTEE VALID NOT WITHSTANDING DEFECTIVE APPOINTMENT**

All acts done by any Meeting of the Board or of a committee thereof, or by any person acting as 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 and such person had been duly appointed and was qualified to be a Director.

## **64. RESOLUTION BY CIRCULATION**

Save in those cases where a resolution is required by Sections 262, 292, 297, 372(5), 386 and 488 of the Act or any other provisions of the Act to be passed at a meeting of the Board, a resolution in writing circulated in draft together with the necessary papers, if any, to all Directors or to all the members of the committee then in India not being less in number than the quorum fixed for the Meeting of the Board or the committee as the case may be and to all other Directors or members of the committee at their usual addresses in India and approved by such of the Directors as are then in India or by majority of such of them as are entitled to vote on the resolution shall be as valid and effectual as if it had been a resolution duly passed at a Meeting of the Board or committee duly convened and held.

(18)

## **POWERS AND DUTIES OF DIRECTORS**

### **65. GENERAL POWERS OF COMPANY VESTED IN DIRECTORS**

Subject to the provisions of the Act, the Board of Directors shall be entitled to exercise all such powers and to do all such acts and things as the Company is authorised to exercise and do, provided that the Board shall not exercise any power to do any act or thing which is directed or required, by any provision of the Act or by the Memorandum or Articles of Association of the Company or otherwise, to be exercised or done by the Company in General Meeting, provided further that in exercising any such order or doing any such act or thing the Board shall be subject to the provisions contained in that behalf in the Act or in the Memorandum or Articles of Association of the Company, or in any regulations not inconsistent therewith and duly made there under including regulations made by the Company in General Meeting.

No regulation made by the Company in General Meeting shall invalidate any prior act of the Board which have been valid with that regulation had not been made.

### **66. POWERS TO BE EXERCISED BY BOARD AT MEETING ONLY**

The Board shall exercise the following powers on behalf of the Company only by resolution passed at meeting of the Board:

- (a) power to make calls on shareholders in respect of money unpaid on their shares;
- (b) power to issue debenture;
- (c) power to borrow moneys otherwise than on debentures;
- (d) power to invest the funds of the Company and
- (e) power to make loans.

The Board may by a resolution passed at a meeting delegate to any committee of Directors, the Managing Director, Whole Time Director or any other principal officer of the Company, the powers specified in sub-clause (c), (d), and (e) of the above and as provided in Section 292 of the Act.

### **67. CONSENT OF COMPANY NECESSARY TO EXERCISE CERTAIN POWERS**

The Board shall not except with the consent of the Company in General Meeting:

- a) Sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking of the whole, or substantially the whole, of any such undertaking ;
- b) Remit or give time for the repayment of any debt due by the Director;
- c) Invest, otherwise than in trust securities, the amount of compensation received by the Company in respect of the compulsory acquisition of any such

5

undertaking as is referred to in clause (a) hereof or of any premises or properties used for any such undertaking and without which it can not be carried on or can be carried on only with difficulty or only after a considerable time;

- d) Borrow moneys, where the moneys to be borrowed, together with the moneys already borrowed by the Company, (apart from temporary loans obtained from the company's bankers in the ordinary course of business) will exceed the aggregate of the paid up capital of the Company and its free-reserves, that is to say reserves not set apart for any specific purpose;
- e) Contribute to charitable and other funds not directly relating to the business of the Company or the welfare of its employees, any amounts the aggregate of which will, in any financial year, exceed Rs. 50,000/- or 5% of its average net profits as determined in accordance with the provisions of Section 349 and 350 of the Act during the three financial years immediately preceding, whichever is greater.

#### **68. SPECIFIC POWERS GIVEN TO DIRECTORS**

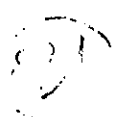
Without prejudice to the general powers conferred on the Board and the other powers conferred by these presents but subject however to the provisions of the Act, it is hereby expressly declared that the Board of Directors shall have the following powers:

- a) To carry on and transact the several kinds of business specified in Clause III of the Memorandum of Association of the Company;
- b) To pay the costs, charges and expenses of and incidental to the promotion, establishment and registration of any Company;
- c) To keep Foreign Register in accordance with provisions of the Act;
- d) To acquire by purchase, lease, exchange or otherwise, lands, estates, fields, buildings in the state of Kerala or elsewhere, machinery, engines, plant, rolling stock, tools, machine tools, outfits, stores, hardware and any other materials of whatever description either for credit or for cash and present or future delivery;
- e) At their discretion, to pay any property or rights or privileges acquired by or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures, debenture stock or other securities of the Company, and any such shares may be issued either as fully paid up or with such amount credited as paid-up thereon as may be agreed upon; and any such bonds, debentures, debenture stock other securities may be either specially charged upon all or any part of the property of the Company and its uncalled capital or not so charged;
- f) To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper, all or any part of the buildings, machinery and other articles (imported or exported) goods stored or

30

produced, and all other movable property of the Company either separately or conjointly and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power;

- g) To open accounts with any bank or bankers or with any Company, firm or individual and to pay money into and draw money from time to time, as the Directors may think fit;
- h) To secure the fulfillment of any contracts or agreements entered into by the Company by mortgage or charge on all or any of the property of the Company and its unpaid capital for the time being or in such other manner, as they think fit;
- i) To attach to any shares to be issued as the consideration or part of the consideration for any contract with or property acquired by the Company, or in payment for services rendered to the Company, such conditions as to the transfer thereof as they think fit;
- j) To make, vary and repeal byelaws for the regulation of the business of the Company, its officers and servants;
- k) To appoint any person or persons (whether incorporated or not) to accept and hold in trust for the Company any property belonging to the Company or in which it is interested, or for any other purpose and to execute and do all such acts and things as may be required in relation to any such trusts and to provide for the remuneration of such trustee or trustees;
- l) To institute, conduct, defend, compound or abandon any actions, suits and legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company, and also to compound or compromise such actions, suits and legal proceedings and allow time for payment or satisfaction of any debt due or of any claims or demands by or against the Company;
- m) To refer any claim or demand by or against the Company to Arbitration and observe and perform the awards;
- n) To act on behalf of the Company in all matters relating to bankruptcy and insolvency;
- o) To make and give receipts, releases and other acquitances for moneys payable to the Company and for the claims and demands of the Company;
- p) To draw, accept, endorse, discount, negotiate and discharge on behalf of the Company all bills of exchange, promissory notes, cheques, hundies, drafts, railway receipts, dock warrants, air consignment notes, delivery orders, dividend warrants, releases, contracts and other instruments;

- 
- q) To invest and deal with any of the moneys of the Company not immediately required for the purpose thereof, upon such securities and in such manner as they think fit and from time to time to vary or realise such investments;
  - r) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability for the benefit of the Company such mortgages of the Company's property (present and future) as they think fit and any mortgage may contain a power of sale and such other powers, covenants and provisions as shall be agreed upon;
  - s) To provide for the welfare of the employees or ex – employees of the company and their wives and families or the dependants, by building or contributing to the building of houses or dwellings or by grants of money pension, allowances, bonus or other payment or by creating and from time to time subscribing or contributing to provident and other funds, associations, institutions, trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the company shall think fit;
  - t) To subscribe or guarantee money for any national, charitable, benevolent, public, general or useful object or for any exhibition or to any institution, club, society or fund;
  - u) To appoint and remunerate such consultants, advisors, panel of experts or technicians or such managers, officers, clerks, employees and agents for permanent, temporary or special services as they may from time to time think fit, and to determine the powers and duties and fix their salaries and emoluments and require security in such instances as to such amounts as they may think fit, and remove, suspend, dismiss any of the employees;
  - v) To comply with the requirements of any local law, which in their opinion shall in the interest of the company be necessary or expedient to comply with;
  - w) Generally subject to the provisions of the Act and these Articles to delegate the powers, authorities and discretion vested in the directors to any persons, firm, Company or fluctuating body of persons as aforesaid;
  - x) To enter into all such negotiations and contracts and rescind and vary all such contracts and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient for or in relation to any of the matter aforesaid or otherwise for the purpose of the Company;
  - y) To provide for the management of the affairs of the Company in any specific locality in India or abroad in such manner as they think fit and in particular to appoint any persons to be the attorneys or the agents of the Company either in India or abroad with such powers including power to sub-delegate and upon such terms as may be thought fit.

(62)

## **69. BOARD DECISIONS REQUIRING GOVERNMENT APPROVAL**

Subject to the provisions of The Companies Act, 1956, and notwithstanding anything contained in the Memorandum and Articles of Association of the Company, the prior approval of the Government shall be obtained by the Board of Directors for exercising the following:

1. Increasing or otherwise varying the authorised capital of the Company.
2. Subscribing or otherwise acquiring or holding shares in any other company exceeding Rs. 5 Crores.
3. Appointment to the posts, which carries minimum of the scale of pay of Rs.2,750/- (Rupees Two Thousand and Seven Hundred and Fifty only) (pre-revised) and above.
4. Creation of all posts in the Company.
5. Any programme of capital expenditure for an amount which exceeds Rs 5,00,000/- (Rupees Five Lakhs Only) in case it does not form part of the sanctioned estimate / budget as approved by the Government of Kerala / the Board of Directors of the Company.
6. Sell, lease, exchange, mortgage and / or otherwise dispose of the whole or substantially the whole of the undertaking of the Company.
7. Rules governing the conditions of service, fixation of new scales of pay /or revision of pay scales and other rules relating to the staff of the Company.
8. Amendments to the Memorandum and Articles of Association of the Company.
9. Winding up of the Company.
10. Any other matter which has to be implemented with the prior approval of State Government.

## **70.APPOINTMENT OF MANAGING DIRECTOR / WHOLE TIME DIRECTOR**

Subject to the provisions provisions of The Companies Act, 1956,as amended and applicable from time to time, the Government may appoint a Managing Director, who shall also be a Director of the Board for such period and upon such terms as the Government may think fit. The Managing Director shall hold office for a term not exceeding Five years at a time and shall not be liable for retirement by rotation.

Subject to the general supervision and control of the Board of Directors, the Managing Director shall have the general direction, management and superintendence of the business of the Company with power to do all acts, matters and things deemed necessary, proper or expedient for carrying on the business and concerns of the Company, provided such powers are not by The Companies Act, 1956, or by these Articles expressly directed to be exercised by the Board of Directors or by the Company in general meeting.

The Government may also appoint one or more Whole-time Directors for such period as it may think fit and to exercise such of the powers as may be delegated by the Board of Directors and the Managing Director.

25

The Managing Director and Whole-time Director may be paid such salary and allowance as may be fixed by the Government, subject to the provisions of The Companies Act, 1956.

#### **71. LEGAL PROCEEDINGS**

The Managing Director or the Secretary or any other person duly authorised by the Directors shall be entitled to make, give, sign and execute all and every warrant to sue or defend on behalf of the Company, all and every legal proceedings and compositions or compromise agreement and submission to arbitration as may be requisite, and for the purposes aforesaid the Managing Director, Secretary or such other person may be empowered to use their or his own name on behalf of the Company, and they or he shall be saved harmless and indemnified out of the funds and property of the Company, from and against all costs and damages which they or he may incur or be liable to by reason of their or his name being so used as aforesaid.

#### **72. ATTORNEY OF THE COMPANY**

The Board may appoint at any time and from time to time by a power of attorney under the Company's seal any person to be the attorney of the Company for such purposes and with such powers, authorities and discretions not exceeding those vested in or exercisable by the Board under these Articles and for such period and subject to such conditions as the Board may from time to time think fit, and any such appointment may, if the Board think fit, be made in favour of the members, Directors, nominees or manager of any firm or Company or otherwise in favour of any fluctuating body of persons, whether nominated directly or indirectly by the Board and any such power of attorney may contain such provision of the protection or convenience of persons dealing with such attorney as the Board may think fit.

#### **73. SECRETARY**

The Board shall have power to appoint as Secretary a person with prescribed qualifications to perform the duties of the Secretary as provided in the Companies Act, 1956 for such periods and on such terms and conditions as regard remuneration as they may determine. The Secretary shall have such powers and duties as may, from time to time, be delegated or entrusted to him by the Board of Directors and the Managing Director.

#### **74. BORROWING POWERS**

Subject to the consent of Company in General Meeting as provided in Sections 292 and 293 of the Act, the Board of Directors may, from time to time at their discretion raise or borrow or secure the payment of any sum or sums of money for the purpose of the Company by promissory notes, opening current accounts, receiving deposits and advances with or without security or by the issue of bonds or debentures, perpetual or otherwise, including debentures convertible into shares of this or any other



56

Company or perpetual annuities and in security of any such money borrowed, raised or received mortgage, pledge or charge the whole or any part of the property, assets or revenue of the Company, present or future, including its uncalled capital, by special assignments or otherwise, or to transfer or convey the same absolutely or in trust and to give the lenders powers of sale and other powers as may be expedient and to purchase, redeem or pay off any such securities.

Provided that every resolution passed by the Company in General Meeting in relation to the exercise of the power to borrow as stated above shall specify the total amount up to which monies may be borrowed by the Board of Directors.

## **COMMON SEAL**

### **75. COMMON SEAL**

The company shall have a Common Seal and the Board shall provide for its safe custody at the Registered Office.

### **76. AFFIXTURE OF COMMON SEAL**

The common seal shall not be affixed to any instrument except by authority of a resolution of the Board or of a committee of the Board authorised by it on that behalf and except in the presence of at least two Directors and of the Secretary or such other person as the Board may appoint for the purpose, and those two Directors and the Secretary or other person as aforesaid shall sign every instrument to which the seal of the Company is so affixed in their presence.

## **DIVIDENDS**

### **77. DECLARATION OF DIVIDENDS**

1. Subject to the provisions of Sections 205 and 206 of the Act, the Company in General Meeting may declare dividends but no dividend shall exceed the amount recommended by the Board. The Board may from time to time pay to the members such interim dividends, as may appear to them to be justified by the profits of the Company.
2. A transfer of shares shall not pass the rights to any dividend thereon before the registration of the transfer by the Company.
3. Notice of any dividend, interim or otherwise shall be given to the persons entitled to share therein in the manner mentioned in Act.
4. All dividends shall be paid proportionately to the amounts paid or credited on the shares.

## **78. CAPITALISATION OF PROFITS**

The Company in General Meeting may, on the recommendation of the Board, resolve that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution and that such sums be accordingly set free for distribution amongst the members by way of dividend.

## **ACCOUNTS**

### **79. BOOKS OF ACCOUNTS**

1. The Board shall cause proper books of accounts to be kept in respect of 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 purchase of goods by the Company, and of the assets and of liabilities of the Company.
2. If the Company shall have branch office, whether in or outside India, proper books of accounts relating to the transactions effected at the office, shall be kept at that office, and proper summarised returns made up to date at intervals of not more than three months shall be sent by the branch office to Company at the Registered Office or other place in India as the Board think fit, where the main books of the Company are kept.
2. Provided that all or any of the Books of account aforesaid may be kept at such other place in India as the Board of Directors may decide and when the Board of Directors so decide the Company shall within seven days of the decision file with the Registrar a notice in writing giving the full address of that other place.
4. All the aforesaid books shall give a true and fair view of the affairs of the Company or of its branch, as the case may be, with respect to the matters aforesaid, and explain its transaction.

### **80. INSPECTION BY MEMBERS**

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

### **81. STATEMENT OF ACCOUNTS TO BE FURNISHED TO ANNUAL GENERAL MEETING**

The Board shall lay before each Annual General Meeting a Profit and Loss Account of the financial year of the Company and Balance Sheet made up as at the end of the financial year which shall be a date not preceding the day of the meeting by more

3

than six months or such extended period of time as shall have been granted by the Registrar under the provisions of the Act.

## **82. BALANCE SHEET AND PROFIT AND LOSS ACCOUNT**

1. Subject to the provisions of Section 211 of the Act every Balance Sheet and Profit and Loss Account of the Company shall be in the forms set out in part I and II respectively of Schedule VI of the Act, or as near thereto as circumstances admit.
2. So long as the Company is a holding Company having a subsidiary, the Company shall conform to Section 212 of the Act, and other relevant provisions of the Act.
3. If in the opinion of the Board any of the current assets of the Company may not have value on realisation in the ordinary course of business at least equal to the amount at which they are stated the fact that the Board is of that opinion shall be stated.

## **83. AUTHENTICATION OF BALANCE SHEET AND PROFIT AND LOSS ACCOUNT**

1. Save as provided in clause (2) below every Balance Sheet and every Profit and Loss Account of the company shall be signed on behalf of the Board by Secretary, and by not less than two Directors of the company including the Managing Director.
2. When only one Director is for the time being in India the Balance Sheet and Profit and Loss Account shall be signed by such Director in addition to the Secretary, and in such a case, there shall be attached to the Balance Sheet and the Profit and Loss Account a statement signed by such Director explaining the reason for non-compliance with the provisions of clause (1).
3. The Balance Sheet and the Profit and Loss Account shall be approved by the Board before they are signed on behalf of Board in accordance with the provisions of this Article and before they are submitted to the Auditors for their report thereon.
4. The Annual Report and the Annual Accounts of the Company approved by the Board of Directors shall be forwarded to the Principal Secretary to Government, Finance Department who shall offer his comments on it, before laying the same to the Annual General Meeting.

## **84. PROFIT AND LOSS ACCOUNT TO BE ANNEXED AND AUDITORS REPORT TO BE ATTACHED TO THE BALANCE SHEET.**

The Profit and Loss Account shall be annexed to the Balance Sheet and Auditor's Report including the Auditor's separate or supplementary report, if any, shall be attached thereto.



## **85. BOARD'S REPORT TO BE ATTACHED TO BALANCE SHEET.**

1. Every Balance Sheet laid before the Company in General Meeting shall have attached to it a report by the Board with respect to the state of Company's affairs, the amounts, if any, which they propose to carry any Reserves in such Balance Sheet and the amount, if any which they recommend to be paid by way of dividend, material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the Balance Sheet relates and the date of the Report.
2. The Report shall, so far as it is material for the appreciation of the state of the Company's affairs by its members and will not in the Board's opinion be harmful to its business or that of any of its subsidiaries, deal with any changes which have occurred during the financial year in the nature of the Company's business or that of the Company's subsidiaries or in the nature of the business carried on by them and generally in the classes of business in which the Company has an interest.
3. The Board shall also give the fullest information and explanation in their report or in cases falling under the proviso to Section 222 of the Act in an addendum to that Report, on every observation, qualification or adverse remark contained in the Auditor's Report.
4. The Board's Report and addendum, if any, there to shall be signed by the Chairman if he is authorised in that behalf by the Board, and where he is not so authorised shall be signed by such number of Directors as are required to sign the Balance Sheet and Profit and Loss Account of the Company under clauses (1) and (2) of Article 83
5. The Board shall have the right to charge any person not being a Director with the duty of seeing that the provisions of clauses (1) to (3) of this Article are complied with.


## **86. RIGHT OF MEMBERS TO COPIES OF BALANCE SHEET AND AUDITORS REPORTS**

The Company shall comply with the requirement of Section 219 of the Act.

## **AUDIT**

### **87. ACCOUNTS TO BE AUDITED**

- i. Once at least in every year the accounts of the Company shall be examined and the correctness of the Profit and Loss Account and Balance Sheet ascertained by one or more auditors. The Auditor shall be appointed or re-appointed by the Central Government on the advice of the Comptroller and Auditor General of India and the provisions of Section 619 of The Companies Act, 1956, relating to Government Companies shall be applicable to this Company.

- 
- ii. The Accountant General of Kerala and Finance Department shall have powers to conduct a supplementary or test audit of Accounts of the Company.

#### **88. RIGHTS OF AUDITORS**

1. Every Auditor of the Company shall have right of access at all times to the books and accounts and vouchers of the Company and shall be entitled to require from the Directors and Officers of the Company such information and explanation as may be necessary for the performance of his duties as Auditor.
2. All notices of and other communications relating to, any General Meeting of the Company, which any member of the Company is entitled to have sent to him shall also be forwarded to the Auditor and the Auditor shall be entitled to attend any General Meeting and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor.
3. The Auditor's Report shall be read before the Company in General Meeting and shall be open to inspection by any member of the Company.

#### **89. AUDITED ACCOUNTS TO BE CONCLUSIVE**

Every Accounts of the Company when audited and approved by a General Meeting shall be conclusive except as regards any errors discovered therein within three months next after the approval thereof. Whenever any such error is discovered within the period the accounts shall forthwith be corrected and shall thenceforth be conclusive.

### **ANNUAL RETURNS**

#### **90. ANNUAL RETURNS**

The Company shall make the requisite annual returns in accordance with Sections 159 and 161 of the Act.

#### **91. AUTHENTICATION OF DOCUMENTS AND PROCEEDINGS**

Save as otherwise expressly provided in the Act or these Articles a document or proceeding requiring authentication by the Company may be signed by the Secretary or a Director, Administrator or by any authorised officer of Company and need not be under its Seal.

#### **92. WINDING UP**

Subject to the provisions of the Act as to preferential payments the assets of the Company shall on its winding up, be applied in satisfaction of its liabilities *pari passu* and, subject to such application shall, unless the Articles otherwise provide, be distributed among the members according to their rights and interests in the Company.

### **93. INDEMNITY**

Subject to the provisions of Section 201 of the Act, every Director, Managing Director, Secretary, or other Officer or employee of the Company shall be entitled to be indemnified by the Company against, and it shall be the duty of the Board to pay out of the funds of the Company, all costs, losses and expenses (including travelling expenses) which any such Director, Managing Director, Secretary or any other officer or employee of the Company may incur or become liable to by reason of any contract entered into or act or thing done by him or in any other way in the discharge of his duties as such Director, Managing Director, Secretary, Officer or employee bonafide and with proper prior sanction or authority.

Subject as aforesaid, every Director, Managing Director, Secretary or other Officer or employee of the Company shall be indemnified against any liability incurred by them in defending any proceedings whether civil or criminal in which judgement is given in their or his favour or in which they or he is acquitted or discharged or in connection with any application under Section 633 of the Act in which relief is given to them or him by the Court.

### **94. SECRECY**

Every Director, Manager, Secretary, Auditor, Trustee, Member of a Committee, Officer, Agent, Accountant, Servant or Employee of the Company and every shareholder or other person who gains access to the books and or other papers of the Company or the Company's factories, work sites, plant, machinery, workshop, depots, warehouses, yards, and other places of business of the Company shall, if so required by the Managing Director or the Board of Directors, before entering upon such duties or gaining access to the places aforesaid, sign a declaration pledging himself to observe strict secrecy in respect of all transactions of the Company with its customers and all information obtained in the course of his duties or while in the premises aforesaid regarding trade secrets, plans, sketch and such other matters as the Managing Directors or the Board of Directors may declare expedient to be kept undisclosed in the interest of the Company and shall by a like declaration bind himself not to use any of the said information, matters and things in any manner prejudicial to the interest of the Company except when required so to do by the Board of Directors or any General Meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions contained in these Articles.

Sl.No:	Names, Addresses, Description and Occupation of Subscribers	Signature of Subscribers
1	<p>V. P. Ramakrishna Pillai  Son of Parameswaran Pillai  മുരളിമംഗലം 2034-2000)  ഭാഗ്യ നഗർ,  തൃശ്ശൂർ നഗരം.</p>	<p><u>V. P. Ramakrishna</u></p>
2	<p>പ. രാമ. ജി. നമ്പ്യാർ  S/o. വെൽ കോ.  പി. ജി. നമ്പ്യാർ ഭാര്യ  പി. ജി. 2167.  കോളനം ജാതി  തൃശ്ശൂർ നഗരം.</p>	<p><u>P. J. Nambiar</u></p>
3	<p>Felix George  S/o K. P. George  Secretary Immanuel  Kerala.</p>	<p><u>Felix</u></p>





(7)

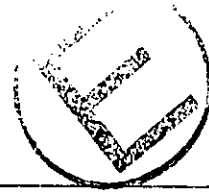
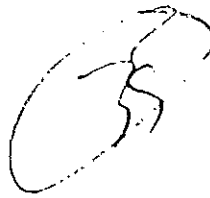
Sl.No:	Names, Addresses, Description and Occupation of Subscribers	Signature of Subscribers
7.	<p>V. J. KLIRIAN S/o V. P. Joseph. 2nd Floor, Preethi Buildings, M.V. Road. Palarivattam Kochi - 682025.</p> <p>Dated this 1st day of August, 2000. at Ernakulam.</p> <p>Witness to the above Signatures</p> <p><u>A.S.DAS</u></p> <p>A. SIVADASAN, B.COM, FICWA, FCS, AMIMA Company Secretary, (S/o Late C. K. MENON) A. S. DAS &amp; Co, Company Secretaries Opp. Renewal Centre, AZAD ROAD, KALLOOR ERNAKULAM.</p>	<p><u>KLIRIAN</u></p> <p>682017</p>

33

Sl No:	Name, Addresses, Description and occupation of Subscribers	Signature of Subscribers
1.	<b>V.P.Ramakrishna Pillai,</b> Son of Parameswaran Pillai, Minister for Irrigation, Govt. of Kerala, THIRUVANANTHAPURAM	Sd/-
2.	<b>Paloli Mohammed Kutty,</b> S/o Idru, Minister for Local Administration Govt. of Kerala, THIRUVANANTHAPURAM	Sd/-
3.	<b>Elias George,</b> S/o K.P. George, Secretary (Irrigation) Kerala	Sd/-

34

Sl No:	Name, Addresses, Description and occupation of Subscribers	Signature of Subscribers
4.	<b>K.M.ABRAHAM</b> S/o K.A.MATHEW MAPPILLAI, SECRETARY (FINANCE – RESOURCES) GOVT. OF KERALA, TRIVANDRUM	Sd/-
5.	<b>S.M.Vijayanand,</b> S/o Shri.P.Murukaiah, Secretary (Local Self- Govt- Rural) Govt. of Kerala, Trivandrum	Sd/-
6.	<b>P.A.MOHAMMED SALIH</b> S/o P.B.Abdul Khader, Chief Engineer, Irrigation & Administration, THIRUVANANTHAPURAM	Sd/-



---

Sl No:	Name, Addresses, Description and occupation of Subscribers	Signature of Subscribers
--------	--	--------------------------

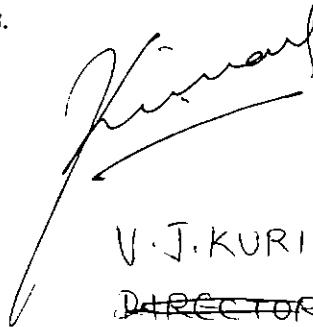
---

7.	<b>V.J.KURIAN</b> S/o V.J.Joseph, 2 <sup>nd</sup> Floor, Preethi Buildings M.V.Road, Palarivattom, KOCHI - 682 025	Sd/-
----	--	------

---

Dated this 1<sup>st</sup> day of August, 2000 at Ernakulam

Certified that this is a true translation of the last page of the Articles of Association signed by the Subscribers.



V.J.KURIAN

~~DIRECTOR~~ Adras

S/o V.J. Joseph

2<sup>nd</sup> Floor, Preethi Buildings,

M.V.Road, Palarivattom,

KOCHI - 682025

Adras