

(Under the Companies Act, 1956)

(No. 1 of 1956)

(Company Limited by Shares)

ARTICLES OF ASSOCIATION
OF
CENTUM ELECTRONICS LIMITED

TABLE 'A' TO APPLY

1. The regulations contained in Table 'A' in the First Schedule to the Companies Act, 1956, in so far as the same may be applicable to a Public Company shall apply to this Company in the same manner as if all such Regulations of Table 'A' were specifically contained in these Articles, subject to the modifications herein contained.

INTERPRETATION

2.
 - i) Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Companies Act, 1956 or any statutory modification thereof in force at the date when these Articles come into force and become binding on the Company.
 - ii) In these Articles :
 - a) 'The company' shall mean "CENTUM ELECTRONICS LIMITED".
 - b) 'The Act' Shall mean the Companies Act, 1956.
 - c) 'These Articles' or 'these presents' shall mean the regulations of the Company from time to time in force.
 - d) 'Managing Director' includes additional Managing Director, Joint Managing Director and Deputy Managing Director.
 - e) Words importing the singular shall include the plural and vice-versa.
 - f) Words importing the masculine gender shall include feminine gender and words importing persons shall include bodies corporate.
 - g) <deleted>.

BOARD IS AUTHORISED TO UNDERTAKE ANY BUSINESS

3. Any branch or kind of business which, by the Memorandum of Association of the Company or these presents is expressly or by implication authorised to be undertaken by the Company, subject to the provisions of Section 149 of the Act, may be undertaken by the Board, at such time or times as they shall think fit and further may be deferred by them to be in abeyance,

whether such branch or kind of business may have been actually commenced or not so long as the Board may deem it expedient not to commence or proceed with such branch or kind of business.

SHARES UNDER CONTROL OF DIRECTORS

4. Subject to the provisions of these Articles and of the Act, the shares (including any shares forming part of any increased capital of the Company) shall be under the control of the Directors, who may allot or otherwise dispose off the same to such persons in such proportion on such terms and conditions and at such times as the Directors think fit and subject to the sanction of the Company in General Meeting with full power, to give any person the option or right to call for or be allotted shares of any class of the Company either (subject to the provisions of Sections 78 and 79 of the Act) at a premium or at par or at a discount and such option being exercisable for such time and for such consideration as the Directors think fit.

ISSUE OF SHARES FOR CONSIDERATION OTHER THAN CASH

5. Subject to these Articles and the provisions of the Act, the Board may issue and allot shares in the Capital of the Company as payment or in consideration or as part payment or is part consideration of the purchase or acquisition of any property or for services rendered to the Company in the conduct of its business and shares which may be so issued or allotted shall be credited or deemed to be credited as fully paid up shares.

ISSUE OF SHARE CERTIFICATES

6. Share Certificates shall be issued in market lots and where Share Certificates are issued in either more or less than market lots, sub-division or consolidation of Share Certificate into market lots shall be done free of charge.

DEMATERIALISATION OF SECURITIES

- 6A (i) Definitions: For the purposes of this Article:

“DEPOSITORIES ACT” means the Depository Act, 1996, including any statutory modifications or re-enactment thereof for the time being in force.

“DEPOSITORY” means a Company formed and registered under the Companies Act, 1956 and which has been granted a certificate of registration under the Securities and Exchange Board of India Act, 1992.

“SEBI” means as Securities and Exchanges Board of India.

“SECURITY” means such security as may be specified by the Securities and Exchange Board of India from time to time.

“Member” means the duly registered holder from time to time of the shares of the Company and includes every person whose name is entered as a beneficial owner in the records of the Depository.

“PARTICIPANT” means a person registered as such under Section 12 (1A) of the Securities and Exchange Board of India, Act, 1992.

“REGISTERED OWNER” means a Depository whose name is entered as such in the records of the Company.

“BENEFICIAL OWNER” means a person whose name is recorded as such with a Depository.

“RECORD” include the records maintained in the form of books or stored in a computer or in such other form as may be determined by the regulations issued by the Securities and Exchanges Board of India in relation to the Depositories Act.

“BYE-LAWS” means bye-laws made by a Depository under Section 26 of the Depository Act.

“REGULATIONS” means the regulations made by SEBI.

Words imparting the singular number only include the plural number and vice versa. Words imparting persons include corporations.

Words and expressions used and not defined in the Companies Act but defined in the Depositories Act shall have the same meaning respectively assigned to them in that Act.

(ii) **COMPANY TO RECOGNISE INTEREST IN DEMATERIALIZED SECURITIES UNDER DEPOSITORIES ACT.**

Either the Company or the investor may exercise an option to issue, deal in, hold the securities (including shares) with a Depository in electronics form and the certification in respect thereof shall be dematerialized, in which event the right and obligations of the parties concerned and matters connected therewith or incidental thereto shall be governed by the provision of the Depositories Act, as amended from time to time or any statutory modification(s) thereto or re-enactment thereof.

(iii) **DEMATERIALISATION/REMATERIALISATION OF SECURITIES**

Notwithstanding anything to the contrary or inconsistent contained in these Articles, the Company shall be entitled to dematerialize its existing securities, rematerialize its securities held in depositories and/or offer its fresh securities in the dematerialized form pursuant to the Depositories Act and the rules framed there under, if any.

(iv) **OPTION TO RECEIVE SECURITY CERTIFICATE OR HOLD SECURITIES WITH DEPOSITORY**

Every person subscribing to or holding securities of the company shall have the option to receive the security certificates or hold securities with a Depository. Where a person opts to hold a security with the Depository, the Company shall intimate such Depository the details of allotment of the security, and on receipt of such information the Depository shall enter in its record the name of the allottees as the beneficial owner of that Security.

(v) **SECURITIES IN ELECTRONICS FORM**

All Securities held by a Depository shall be dematerialized and held in electronic form. No Certificate shall be issued for the securities held by the Depository, Nothing contained in Section 53, 153A, 153B, 187B, 187C and 372 of the Act shall apply to a Depository in respect of the Securities held by it on behalf of the beneficial owners.

(vi) **BENEFICIAL OWNER DEEMED ABSOLUTE OWNER**

Except as ordered by a Court Competent jurisdiction or by law required, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holders of any share or whose name appears as the beneficial owner of the shares in the records of the depository, as the absolute owner thereof and accordingly shall not be bound to recognize any benami, trust equity equitable contingent, future, partial interest, other claim to or interest in respect of such shares or (except only as by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto in accordance with these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto in accordance with these articles, on the part of any other person whether or not it has express or implied notice thereof, but the Board shall at their sole discretion register any share in the joint name of any two or more persons or the survivor or survivors of them.

(vii) **RIGHT DEPOSITORIES AND 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 above, the Depository as the Registered owner of the securities shall not have any voting rights or any other rights in respect of the security held by it. Every person holding securities of the Company and whose name is entered as a beneficial owner in the records of the Depository shall be deemed to be a member of the Company. The Beneficial owner of securities to all the rights and benefits and the subject of all the liabilities in respect of his securities, which are held by a Depository.

(viii) **REGISTER AND INDEX BENEFICIAL OWNERS**

The Company shall cause to be kept a Register and index of Members with details of shares and debentures held in material and dematerialized forms in any media as may be permitted by law including any form of electronic media. The Register and index beneficial owners maintained by a Depository under the Depositories Act shall be deemed to be a Register and index of members for the purposes of this Act. The Company shall have power to keep in any State or Country outside India a branch Register of Members resident in that State or Country.

(ix) **CANCELLATION OF CERTIFICATES UPON SURRENDER BY A PERSON**

Upon receipt of certificate of Securities on surrender by a person who has entered into an agreement with the Depository through a Participant, the Company shall cancel such certificates and substitute in its records the name of the Depository as the registered owner in respect of the said securities and shall also inform the Depository accordingly.

(x) **SERVICE OF DOCUMENTS**

Notwithstanding anything contained in the Act or these Articles, to the contrary, where securities are held in a Depository, the record of the beneficial ownership may be served by such depository on the Company by means of hard copies or through electronic mode or by delivery of floppies or discs.

(xi) **ALLOTMENT OF SECURITIES**

Where the Statement are dealt with in a Depository, the Company shall intimate the details of allotment of relevant securities to the Depository on allotment of such securities.

(xii) **TRANSFER OF SECURITIES**

The Company shall keep a Register of Transfer and shall have recorded therein fairly distinctly particulars of every transfer or transmission of any share held in material form. Nothing contained in these Articles shall apply to transfer of securities held in Depository.

(xiii) **DISTINCTIVE NUMBER OF SECURITIES HELD IN A DEPOSITORY**

The shares in the capital shall be numbered progressively accordingly to their several denomination, provided, however that the provision relating to progressive numbering shall not apply to the share of the Company which are dematerialized or may be dematerialized in future or issues in future in dematerialized form. Except in the manner herein before mentioned, no share shall be sub-divided. Every forfeited or surrendered share held in material form shall continue to bear the number by which the same was originally distinguished.

(xiv) **PROVISIONS OF ARTICLES TO APPLY TO SHARES HELD IN DEPOSITORY**

Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in Depository so far as they apply to shares held in physical form subject to the provisions of Depository Act.

(xv) **DEPOSITORY TO FURNISH INFORMATION**

Every Depository shall furnish to the Company information about the transfer of securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by the byelaws and the Company in that behalf.

(xvi) **OPTION TO OPT OUT IN RESPECT OF ANY SUCH SECURITY**

If a beneficial owner seeks to opt of a Depository in respect of any Security, he shall inform the Depository accordingly. The Depository shall on receipt of such information make appropriate entries in its records and shall inform the Company. The Company shall within thirty (30) days of the receipt of intimation from a Depository and on fulfillment of such conditions and on payment of such fees as may be specified by the Regulation, issue the certificate of securities to the beneficial owner of the transferee, as the case may be.

(xvii) **OVER RIDING EFFECT OF THIS ARTICLE.**

Provision of the Article will have full effect and force notwithstanding anything to the contrary or inconsistent contained in any other Articles of these presents.

CONSOLIDATION AND SUB-DIVISION AND CANCELLATION OF SHARES

7. 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 the whole or any part of its Share Capital into Shares of smaller amount than is fixed by the Memorandum of Association sub to Clause (d) of Subsection (1) of Section 94.
- c) Cancel any Shares which, at the date of passing of the resolution, have not been taken or agreed to be taken by any person.

CALLS

- 8. The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board (and not by circular resolution) make such calls as it thinks fit upon the members in respect of all moneys unpaid on the shares held by them respectively and each member shall pay the amount of every call so made on him to the person or persons at the time and places appointed by the Board. A call may be made payable by instalments and shall be deemed to have been made when its resolution of the Board authorizing such call has been made.
- 8A. The option or right to call of shares shall not be given to any person except with the sanction of the Company (Issuer) in General Meetings.

PAYMENT IN ANTICIPATION OF CALLS

- 9. The Board may, if it thinks fit, receive from any member willing to advance the same all or any part of the money due upon the share held by him beyond the sums actually called for and upon the money so paid in advance or upon so much thereof as from time to time exceeds the amount of the call then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate the Board may fix. Money so paid in excess of the

amount of call shall not rank for dividends or confer a right to participate in the profits. The Board may at any time repay the amount so advanced upon giving to such member not less than three months notice in writing. No member paying any such sum in advance shall be entitled to voting rights in respect of the money so paid by him until the would but for such payment become presently payable.

UNDERWRITING AND BROKERAGE

10. Subject to the provisions of Section 76 of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares or debentures in the Company or procuring or agreeing to procure subscriptions (whether absolute or conditional) for any share or debentures in the Company but so that the commission shall not exceed in the case of shares five percent of the price at which the shares are issued and in the case of debentures two and a half percent of the price at which the debentures are issued. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.
11. The Company may also on issue of shares or debentures or on acceptance of fixed deposits pay a reasonable sum for brokerage as may be lawful.

TRANSFER AND TRANSMISSION OF SHARES

12.
 - i) The instrument of transfer shall be in Form No. 7B of the Companies (Central Government's) General Rules and Forms, 1956 and all the provisions of Section 108 of the Act and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfers of shares and the registration thereof.
 - ii) Subject to the provisions of Section 111 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, the Board without assigning any reason for such refusal may refuse to register any transfer of or the transmission by operation of law of the right to a Share. PROVIDED THAT registration of a transfer shall not be refused on the ground of the transfer or being alone or jointly with any other person or persons indebted to the Company on any account whatsoever except a lien on the Shares.
 - ii) No fee shall be charged for transmission of shares or for registration of any power of attorney, probate, letters of administration or other similar documents. No fee shall also be charged for registration of transfers, consolidation or sub-division of share certificates in replacement of these, which are old, decrepit, worn out or where the cages on the reverse for recording transfers have been fully utilised.
13. The Board shall have the right to issue, from time to time, debentures with or without conversion rights into shares, in any manner, it may deem fit. Debentures/Bonds, Debenture Stock Bonds or other securities with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting.

14. i) Subject to the provisions of the Act, the Board may from time to time at its discretion borrow and secure the payment of any sum of money borrowed for the purposes of the company provided that the Board shall not, except with the consent of the Company in General Meeting, borrow moneys where the moneys to be 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, any reserves not set apart from any specific purposes of the Company.
- ii) Subject to the provisions of Clause (1) above, the Board may raise and secure the repayment of such sum or sums in such manner and upon such terms and conditions in all respects as it thinks fit by the issue of bonds, redeemable debenture, mortgage or charges or other securities on the undertaking of the whole or any part of the property of the company (both present and future) including its uncalled capital for the time being. Any bonds, debentures, commercial papers or other securities issued or to be issued by the Company shall be under the control of the Board, which may issue them upon such terms and conditions and in such manner and for such consideration as it shall consider to be for the benefit of the Company.

PAYMENT OF INTEREST

15. If a sum called in respect of a share is not paid before or on the day appointed for repayment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at the rate of interest as the Board may determine. The Board shall be at liberty to waive payment of any such interest wholly or in part.

INTEREST OUT OF CAPITAL

16. Where any shares are issued for the purpose of raising money to defray the expenses of the construction of any work or building or the provision of any plant which cannot be made profitable for a lengthy period, the Company may pay interest on so much of that Share Capital as is for the time being paid-up for the period, at the rate and subject to the conditions and restrictions provided by Section 208 of the Act and may charge the same to capital as part of the cost of construction of the work or building or the provision of plant.

LIEN

17. The Company shall have a first and paramount lien upon all the shares (other than fully paid-up shares) registered in the name of each member (whether solely or jointly with others) for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares. Such lien shall extend to all dividends and capitalized profit from time to time declared in respect of such shares. Unless otherwise agreed, the registration of a transfer of shares shall not operate as waiver of the Company's lien, if any, on such shares. The Board of Directors may at any time declare any shares to be wholly or in part to be exempt from the provisions of this clause.

DIVIDEND

18. Dividend on fully paid shares shall be free from any charge and in respect of partly paid shares; dividend can be adjusted only to the extent of calls presently payable on the shares subject to the provisions of Section 205. No unclaimed dividend shall be forfeited by the Board and the Company shall comply with all the provisions of Section 205A in this respect. Dividend in respect of shares pending registration of transfer by the Board shall be dealt with in accordance with the provisions of Section 206A.

BOARD OF DIRECTORS

19. The Company shall have not less than three and not more than twelve Directors including all kinds of Directors.
20. <deleted>
- 20.1. <deleted>.
- 20.2 <deleted>.
- 20.3 <deleted>.
- 20.4 <deleted>
- 20.5 <deleted>.
- 20A. <deleted>
- 20A.1 <deleted>
- 20A.2 <deleted>
- 20B. Meetings of the Board
- 20B.1 Not less than thirty (30) day's written notice shall be given of meetings of the Board to all directors of the Company whether in India or outside India. Notice shall be given by fax (followed up with a delivery of such notice via courier) to Directors who reside outside India. The notice shall be accompanied by an Agenda of the matters to be considered at the meeting. a meeting of the Directors may be called by giving a shorter notice (or notice may be waived) with the unanimous consent of all Directors.
- 20B.2 <deleted>.
- 20B.3 The quorum as specified in the article 20 B2 shall be deemed to be complete if the relevant director participates in the meeting through teleconference or video conference, when the number of directors physically present constitutes sufficient quorum under Section 287 of the Companies Act, 1956
- 20C. <deleted>
- 20C.1 <deleted>

20D. Managing Director / "Manager"

20D.1 The Managing Director shall have the sole and substantive responsibility entrusted by the Board to run the day-to-day operation of the Company.

20D.2 In case the person entrusted with the responsibility of day-to-day management is not a Director, he shall be appointed as a "Manager" under Section 2(24) of the Companies Act, 1956.

20E. Approval of the Shareholders

20E.1 In case any of the matters referred to in the Sections above is required to be approved by the Shareholders, the same shall be approved by an ordinary or special resolution passed at a General Meeting of the Shareholders as provided in the Company's Articles of Association. The quorum for a General Meeting shall be the holders of a majority of the share outstanding.

20F. Non-working Directors

20F.1 Non-working Directors shall not be responsible for the operations of the Company day-to-day or otherwise and shall only be responsible to use good faith in their deliberations to vote in favour or against a resolution put before the Board during the Board Meetings. In all other respects, the non-working Directors shall have no responsibility in any form or manner.

SHARE QUALIFICATION OF DIRECTORS

21. No share qualification is necessary for any individual for being appointed as a Director of the Company

NOMINATED DIRECTORS

22. i) If the Board of Directors enter into any contract with Industrial Development Bank of India or Industrial Finance Corporation of India or Life Insurance Corporation of India or Unit Trust of India or Karnataka State Industrial Investment and Development Corporation Limited or The Karnataka State Finance Corporation or with any Bank or other Credit Institutions or the Government hereinafter referred to as 'Said Institution', for providing finance assistance by way of loan, subscription to debentures, providing any guarantee or underwriting or subscription of shares of the Company, the Board of Directors of this Company shall have the power to agree that subject to the provisions of Section 255 of the Companies Act, 1956, said Institution shall have the right to appoint or nominate by notice in writing addressed to the Company one or more Directors on the Board of Directors of the Company during such period and upon such conditions as may be mentioned in the agreement and that such Director shall not be liable to retire by rotation. The Directors may also agree that any such Director may be removed by the said Institution entitled to appoint or nominate him and may appoint any other person in his place and also fill in any vacancy, which may occur as a result of any such Director ceasing to hold the office for any reason

whatsoever. The Director appointed or nominated under this Article shall be entitled to exercise and enjoy all the rights and privileges exercised and enjoyed by the Directors of the Company including the payment of remuneration and traveling and halting expenses of such Director as may be agreed by the Company with the said Institution and shall also be entitled to attend General Meeting and Meetings of any Committee of which he is a member and receive notice, agenda papers and minutes thereof.

- ii) The Nominee Director so appointed shall hold the said office only so long as any moneys owed by the Company to the said Institution or as long as the said Institution holds Debentures in the Company as a result of direct subscription or private placement or so long as the said Institution holds shares of the Company as a result of underwriting or direct subscription or the liability of the Company arising out of the guarantee is outstanding and the Nominee Director so appointed in exercise of the said power shall, *ipso facto* cease to be a Director on payment of moneys owed by the Company to the satisfaction of the said Institution or on the said Institution ceasing to hold debentures / shares in the Company or on the satisfaction of the liability of the Company arising out of the guarantee furnished by the said Institution.
- iii) The Company shall pay to the Nominee Director, sitting fees, expenses to which the other Directors of the Company are entitled, but if any other fees, commission, moneys or remuneration in any form is payable to the Directors of the Company, the fees, commission, moneys and remuneration in relation to such Nominee Director shall accrue to the said Institution and the same shall accordingly be paid by the Company directly to the said Institution. Any expenses that may be incurred by the said Institution or such Nominee Director in connection with his appointment or Directorship shall also be paid or reimbursed by the Company to the said Institution or as the case may be, to such Nominee Director.
- iv) Provided that if any such Nominee Director is an Officer of the said Institution, the sitting fees, in relation to such Nominee Director shall also accrue to the said Institution and the same shall accordingly be paid by the Company directly to the said Institution.
- v) In the event of the Nominee Director being appointed as a Whole-time Director, such Nominee Director shall exercise such powers and have such right as are usually exercised or available to a Whole-time Director in the management of the Company. Such Whole-time Director shall be entitled to receive such remuneration, fees, commission and moneys as may be approved by the said Institution.

ADDITIONAL DIRECTORS

- 23. The Board shall have power to appoint one or more individuals to be additional Directors, provided that the total number of Directors including additional Directors so appointed shall not at any time exceed twelve.

CASUAL VACANCY IN THE BOARD

- 24 Subject to the provisions of Sections 262 and 264 of the Act, the Board shall have power at any time to appoint any other person to be a Director to fill a casual vacancy. Any person so appointed shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been vacated by him.

ALTERNATE DIRECTORS

25. The Board of Directors may appoint any individual to be an alternate Director during the absence of a Director from the State of Karnataka in which the meeting of the Board is ordinarily held provided such absence shall not be for a lesser period than three months. Such appointee while he holds office as alternate Director shall be entitled to notice of all the meetings of the Board and to attend and vote thereat and on resolutions proposed to be passed by circulation.

SITTING FEES

26. Subject to the limits sitting fees prescribed as per provisions of Section 310 of the Act and the rules framed there under, the Directors for the time being of the Company shall each be paid a sitting fee of such sum as may be decided by the Board from time to time for every meeting of the Board or of any Committee of the Board attended by them, addition to all traveling and halting expenses incurred by them in attending a returning from such meetings of the Board or / of any committee of the Board or / General Meetings of the Company.

REMUNERATION FOR EXTRA SERVICES

27. i) If any Director is appointed to advise the Board as an expert or be called upon to perform extra services or make special exertions for any of the purposes of the Company, the Board may, subject to and in accordance with the provisions of the Act and in particular Sections 198, 309 and 314 of the Act, pay to such Director such special remuneration as they may think fit which remuneration may be in the form of either salary or commission or percentage of profits and may either be in addition to or in substitution of the remuneration specified in the last preceding Article.
- ii) The Non Whole-time Directors may be paid such remuneration as may determined by the Board in accordance with the provisions of Section 309(4) the Act.

DIRECTORS AND THEIR CONTRACTS WITH THE COMPANY

28. Subject to the provisions of the Act, the Directors shall not be disqualified by reason of their office as such from contracting with the Company either as a vendor, purchaser, lender, agent, broker or otherwise, nor shall any such contract or arrangement entered into by or on behalf of the Company with any Director or with the Company or partnership firm in which any Director shall be a Director, Member, Partner or otherwise interested be avoided, nor shall any Director so contracting or being so interested in any contract or arrangement be liable to account to the Company for any profits realized on such contract or arrangement by reason only of such

Director holding the office or of any fiduciary relation thereby established but the nature of the interest must be disclosed by him at the Meeting of the Board of Directors at which the contract or arrangements is determined, if the interest then exists or in any other case at the First Meeting of the Board after the acquisition of the interest, provided nevertheless that no Director shall vote as a Director in respect of any contracts or arrangements in which he is so interested as aforesaid and if he does so his vote shall not be counted but he shall be entitled to represent at the Meeting during the transactions of the business in relation to which he is excluded from voting although he shall not be counted for the purposes of ascertaining whether there is quorum of Directors present. This restriction shall not apply to any contract by or on behalf of the Company to give the Director any security by way of indemnity against any loss, which they or any of them may suffer by becoming or being sureties for the company. A general notice that any Director is a Director or a Member of any specified firm and is to be regarded as interested in any subsequent transaction will be sufficient disclosure under this Article and after such General Notice, it shall not be necessary to give special notice relating to any particular transaction with such company or firm.

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

29. The business of the Company shall be managed by the Board, which may exercise all such powers of the Company as are not, by the Act or any statutory modification thereof for the time being in force or by these Articles, required to be exercised by the Company in General Meetings subject, nevertheless, to any regulation of the Articles or to the provisions of the said Act or to such regulations being not inconsistent with the aforesaid regulations or to provisions as may be prescribed by the Company in General Meetings, but no regulations made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

DELEGATION OF POWERS

30. Subject to the provisions of Section 292 of the Act, the Board may delegate all or any of its power to any directors or other persons jointly or severally or to any one director at its discretion.

ATTORNEY OF THE COMPANY

31. 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 authorities and discretions not exceeding those vested in or exercisable by the Board and for such period and subject to such conditions as the Board may from time to time think fit and any such Power of Attorney may contain such provisions for the protection and convenience of persons dealing with such Attorney as the Board may think fit.

MANAGING DIRECTOR / WHOLE-TIME DIRECTOR

32. Subject to the provisions of the Act and approval of the Central Government, the Board of Directors may from time to time, appoint one or more of their body to be Managing Director/

s or Whole-time Director/s with any designation as the case may be of the Company for a fixed term not exceeding five years at a time for which he/they is /are to hold office and may from time to time (subject to the provisions of any contract between him/them and the Company) remove or dismiss him/them from office and appoint another/others in his/their places. The Managing Director/s or Whole-time Director/s as the case may be, shall not while he/they continues/continue to hold that office, be subject to retirement by rotation and shall not be reckoned as Director to retire by rotation. But he/they shall ipso facto, ceased to be managing Director/s or Whole-time Director/s as the case may be, if he/they cease to hold the office of the Director/s from any cause.

REMUNERATION OF MANAGING DIRECTOR/WHOLE-TIME DIRECTOR

33. i) Subject to the provisions of Sections 198, 309 and Schedule XIII of the Act and subject to such sanction of the Central Government as may be necessary, the Board of Directors may determine the remuneration payable to the Managing Director or Whole-time Director as the case may be in any manner they may deem fit. The remuneration may be in the form of monthly salary or commission based on profits or partly in one way and partly in another.
- ii) The Board of Directors may in addition to the remuneration referred to in the preceding clause provide to the Managing Director or Whole-time Director as the case may be such allowances, amenities, benefits and facilities as they may deem fit, from time to time, with such sanction as may be necessary.
- iii) The Managing Director or Whole-time Director, as the case may be, be entitled to be reimbursed all his out-of-pocket expenses incurred by him in connection with the business of the Company.

POWERS AND DUTIES OF MANAGING DIRECTOR/WHOLE-TIME DIRECTOR

34. Subject to the provisions of the Act, the Board of Directors may from time to time entrust upon the Managing Director or Whole-time Director as the case may be, for the time being such of the powers exercisable by the Board of Directors as they may think fit and may confer such powers for such time and to be exercised for such objects, purpose and upon such terms and conditions and with such restrictions as they may think fit and expedient and they may confer such powers collaterally with or to the exclusion of and in substitution for all or any of the powers of the Board of Directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any of such powers. The Managing Director or Whole-time Director may exercise all the powers entrusted to him by the Board of Directors jointly and severally in any manner as he may deem fit.

SELLING AGENTS

35. Subject to the provisions of the Act, the Board may appoint any person or firm or body corporate as the sole selling agents of the Company for such area and on such terms and conditions as the Board may deem fit from time to time.

COMMON SEAL OF THE COMPANY

36. The Board shall provide a seal for the purpose of the Company and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof and the Board shall provide for the safe custody of the seal for the time being.

SECRECY CLAUSE

37. i) Every Director (except institutional / ex-officio Director) Auditor, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or other Person employed in the business of the Company shall, if so required by the Directors before entering upon his duties, sign a declaration pledging himself to observe strict secrecy respecting all transactions and affairs of the Company and all matter pertaining thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required to do so by the Directors or by law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained.
- ii) No member shall be entitled to visit or inspect any works of the Company, without the permission of the Directors or to require discovery of or any information respecting any details of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade, secret process or any other matter which may relate to the conduct of the business of the Company and which in the opinion of the Directors, it would be expedient in the interest of the Company to disclose.

Sl. No.	Names, Address Descriptions and Occupation of Subscribers	Signature of the Subscribers	Signature, Name Address, Description and Occupation of Witness
1.	GOGINENI MOHAN RAO S/o Late Sri G.V.S. Naidu No. 2, Main Road, Whitefield BANGALORE - 560 066 INDUSTRIALIST	Sd/-	Sd/- AGASTHI BHASKARAN S/o Sri A Narayana Reddy 35, 17th Main, 6th Block Koramangala BANGALORE - 560 095 CHARTERED ACCOUNTANT
2.	MALLAVARAPU VENKATA APPA RAO S/o Sri M. Ramakrishna Rao 624, 11th Main H.A.L. 2nd Stage Indiranagar BANGALORE - 560 038 COMPANY EXECUTIVE	Sd/-	
3.	PONNALURU SIMHADRI REDDY S/o Sri P. Narayana Reddy C-602, Spartan Heights Richmond Road BANGALORE - 560 025 FINANCE CONSULTANT	Sd/-	
4.	MALLAVARAPU SWARNALATHA W/o Sri M. V. Appa Rao 624, 11th Main H.A.L. 2nd Stage Indiranagar BANGALORE - 560 038 SCIENTIST	Sd/-	

Sl. No.	Names, Address Descriptions and Occupation of Subscribes	Signature of the Subscribers	Signature, Name Address, Description and Occupation of Witness
5.	GOGINENI VENKATA SUBBIAH PAVAN S/o Late Sri G.Mohan Rao 624, 11th Main H.A.L. 2nd Stage Indiranagar BANGALORE - 560 038 COMPANY EXECUTIVE	Sd/-	Sd/- AGASTHI BHASKARAN S/o Sri A Narayana Reddy 35, 17th Main, 6th Block Koramangala BANGALORE - 560 095 CHARTERED ACCOUNTANT
6.	GOGINENI PADMAVATHI W/o Sri G. Mohan Rao No.2 Mian Road, Whitefield BANGALORE - 560 066 INDUSTRIALIST	Sd/-	
7.	GONINENI SARANYA W/o Sri G.V. Pavan 624, 11th Main H.A.L. 2nd Stage Indiranagar BANGALORE - 560 038 INVESTOR	Sd/-	