



MANAPPURAM FINANCE LIMITED

Make Life Easy

Ref: Sec/SE/595/17-18
October 11, 2017

BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai- 400001 Scrip Code: 531213	National Stock Exchange of India Limited 5th Floor, Exchange Plaza Bandra (East) Mumbai – 400 051 Scrip Code:MANAPPURAM
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Dear Sir/Madam,

Sub: Postal Ballot Notice

Postal Ballot Notice, seeking approval of the members for items as set out in the Notice, along with other documents as required, is being sent to Members whose names appear in the Register of Members/Beneficial Owners received from the Registrar and Share Transfer Agents as on October 06, 2017 (cut-off date).

The Company has engaged the services of CDSL for the purpose of providing e-voting facility to all its members. The voting through postal ballot and through e-voting will commence from October 17, 2017 and shall end on November 15, 2017.

A copy of Postal Ballot Notice and relevant documents is attached herewith.

This is for your information and record.

Thanking you.
Yours Faithfully,

For Manappuram Finance Limited


Ramesh Periasamy
Company Secretary

India's First Listed and Highest Credit Rated Gold Loan Company

Registered & Corporate Office : (CIN-L65910KL1992PLC006623) IV/470A (old) W638A(New), Manappuram House, Valapad, Thrissur, Kerala - 680 567, India
Tel : 0487 - 3050100, 3050108 Fax : 0487 - 2399298 E mail : mail@manappuram.com Website : www.manappuram.com



MANAPPURAM FINANCE LIMITED

Regd. Office: IV/470A(old)W638A(new), Manappuram House, Valapad P. O, Thrissur – 680 567

Tel. No.: (0487) 3050413, 3050417, **Fax No.:** (0487) 2399298

CIN: L65910KL1992PLC006623

Email: cosecretary@manappuram.com, **Website:** www.manappuram.com

NOTICE OF POSTAL BALLOT PURSUANT TO SECTION 110 OF THE COMPANIES ACT, 2013

Dear Member(s),

Notice is hereby given pursuant to Section 110 of the Companies Act, 2013 ('the Act'), read with Rule 22 of the Companies (Management and Administration) Rules, 2014 ('the Rules') (including any statutory modification or re-enactment thereof for the time being in force), Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable laws and regulations that the resolutions appended below are proposed to be passed by the members of Manappuram Finance Limited (hereinafter referred to as 'the Company' by way of Postal Ballot / Electronic Voting (e Voting).

The explanatory statement pertaining to the aforesaid resolutions setting out the material facts concerning the item and the reasons thereof are annexed hereto with a Postal Ballot Form so as to enable the members for sending their assent or dissent in writing by postal ballot means.

The Board of Directors of the Company has appointed Mr. Sathish.V, Practicing Company Secretary (C.P. No.8343), Cochin as the Scrutinizer for conducting the postal ballot / e voting process in a fair and transparent manner.

Members desiring to exercise their vote by postal ballot are requested to carefully read the instructions printed in the Postal Ballot Form and return the same duly completed in the enclosed self-addressed Business Reply Envelope. Postage will be borne and paid by the Company. Postal Ballot Form(s), if sent by courier or by registered post / speed post at the expense of the Member(s) will also be accepted. The Postal Ballot Form(s) may also be deposited personally at the address given on the self-addressed Business Reply Envelope. The duly completed Postal Ballot Form(s) should reach the Scrutinizer, Postal Ballot Voting Process, Manappuram Finance Limited, IV/470 A(Old) W638A(New), Manappuram House, Valapad P.O, Thrissur, Kerala - 680 567, not later than 17:30 Hours IST on November 15, 2017 to be eligible for being considered, failing which it will be strictly considered that no reply has been received from the Member.

Members desiring to opt for e-voting, as per the facilities arranged by the Company with Central Depository Services (India) Limited (CDSL), are requested to read the instructions in the Notes under the section 'Voting through electronic means' of this Notice. References to postal ballot(s) in this Postal Ballot Notice include votes received electronically.

The Scrutinizer will submit his report to the Chairman or Managing Director or Company Secretary of the Company after the completion of the scrutiny of the postal ballots (including e-voting). The results shall be declared on or before November 18, 2017 and communicated to the Stock Exchanges, Depository, Registrar and Share Transfer Agent and would also be displayed on the Company's website at www.manappuram.com.

PROPOSED RESOLUTIONS:

1. To alter Articles of Association of the Company by way of adoption of new Part I of Articles of Association in conformity with the provisions of the Companies Act, 2013:

To consider and, if thought fit, to give assent or dissent, to the following resolution to be passed as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 14 and other applicable provisions, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force) ("the Act"), the consent and approval of the members of the Company be and is hereby granted to the alteration of Articles of Association of the Company by way of adoption of new Part I of Articles of Association in substitution and to the entire exclusion of the regulations contained in the Part I of existing Articles of Association of the Company annexed to this notice as Annexure A.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

2. To revise the remuneration and the terms of remuneration of Mr. Sooraj Nandan, Senior Vice President, holding office or place of profit:

To consider and, if thought fit, to give assent or dissent, to the following resolution to be passed as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 188 of the Companies Act, 2013 and other applicable provisions, if any, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the consent and approval of the Shareholders of the Company be and is hereby accorded to vest power on the Board to revise the remuneration of Mr. Sooraj Nandan, Senior Vice-President (SVP), son of Mr. V. P. Nandakumar (DIN:00044512), Managing Director & Chief Executive Officer of the Company, from Rs. 42.35 Lakhs to Rs. 48.70 Lakhs per annum on a CTC basis with effect from April 01, 2017.”

“RESOLVED FURTHER THAT the consent and approval of the Shareholders of the Company be and is hereby accorded to vest power with the Board to revise the aforesaid terms of remuneration of Mr. Sooraj Nandan, SVP, to effect that he will be eligible up to 15% annual increment year on year such that the percentage of his annual increment shall be approved by the Board based on the recommendation of the Nomination, Compensation and Corporate Governance Committee of the Board and all other terms and conditions of employment applicable to any other employee in the same cadre in the Company shall be applicable to Mr. Sooraj Nandan.”

3. To revise the terms of remuneration of Dr. Sumitha Nandan, Senior Vice President, holding office or place of profit:

To consider and, if thought fit, to give assent or dissent, to the following resolution to be passed as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 188 of the Companies Act, 2013 and other applicable provisions, if any, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the consent and approval of the Shareholders of the Company be and is hereby accorded to vest power with the Board to revise the terms of remuneration of Dr. Sumitha Nandan, Senior Vice-President (SVP), daughter of Mr. V. P. Nandakumar (DIN:00044512), Managing Director & Chief Executive Officer of the Company, to effect that she will be eligible up to 15% annual increment year on year, such that her annual increment shall be approved by the Board based on the recommendation of the Nomination, Compensation and Corporate Governance Committee of the Board and all other terms and conditions of employment applicable to any other employee in the same cadre in the Company shall be applicable to Dr. Sumitha Nandan.”

**By order of Board of Directors
For Manappuram Finance Limited**

Sd/-
Ramesh Periasamy
Company Secretary

Date: 09/10/2017
Place: Valapad, Thrissur

Notes:

1. The Statement pursuant to the provisions of Section 102 of the Companies Act, 2013 setting out material facts is annexed hereto.
2. Altered Part I of Articles of Association of the Company is annexed hereto as Annexure A.
3. Please read the notes and instructions annexed to this notice.

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013 ('the Act'):

Resolution No. 1:

SEBI Circular CIR/IMD/DF-1/ 67 /2017 dated June 30, 2017 directs that the issuers of privately placed debt securities can have a maximum of 17 International Securities Identification Numbers (ISINs) maturing in any financial year and vide newly inserted regulation 20A in the SEBI (Issue and Listing of Debt Securities) Regulations, 2008 ("ILDS") provides for the consolidation and re-issuance of debt securities subject to certain conditions specified in that regulation. One such provision is to provide in the Articles of Association of the company a power to the Board to consolidate and / or reissue the debt securities. Hence this requirement necessitates amendment to Articles of Association of the Company.

While Section 121 of the erstwhile Companies Act 1956 had provisions of consolidation and re-issuance of debentures, the Companies Act, 2013 is silent regarding the company's power to reissue their debentures. As per SEBI Consultative Paper on Consolidation and re-issuance of debt securities issued under the ILDS which was issued for public comments on February 02, 2017, the Ministry of Corporate Affairs (MCA) has clarified that since Companies Act 2013 ("the Act") is silent on the issue, it may be assumed that such reissuance is possible if there is enabling provision in this behalf in the Articles of Association ("Articles") of the Company. In view of the clarification provided by MCA, SEBI has provided an enabling framework for consolidation and re-issuance under ILDS.

The Company normally takes shareholders' approval under Sections 42 and 71 of the Companies Act, 2013 for each financial year based on the Board approval to raise fund through issue of private placement secured non-convertible debentures (NCDs). The power to issue, allot such securities and create charges was delegated to the Financial Resources and Management Committee of Board of Directors.

Therefore, it is proposed to incorporate the enabling provision in the Part I of Articles of the Company as specified under Reg.20A of ILDS.

The existing Articles of the Company is based on the provisions of the Companies Act, 1956. Members may be aware that almost all the Sections of the Companies Act, 2013 have been notified. In order to bring the existing Part I of Articles of the Company in line with the provisions of the Act, the Company proposes to alter such of those provisions which has reference to the Companies Act, 1956.

Pursuant to the provisions of Section 14 of the Act, approval of the shareholders of the Company is sought by way of by special resolution for the alteration of Articles by way of adoption of new Part I of Articles in substitution and to the entire exclusion of the regulations contained in the Part I of existing Articles of the Company.

A copy of the draft new Part I of Articles of Association of the Company is annexed with this notice as "Annexure A" and copy of the same is available for inspection at the registered office of the Company and is also available on the website of the Company at <http://www.manappuram.com/investors/notice-to-shareholders.html>. Any member desirous of inspecting the same can either visit the weblink of the Company as aforesaid or visit the Registered Office of the Company during office hours between IST 9.00 a.m. to 5.00 p.m.

Your Directors, therefore, recommend the above resolutions for approval of the Shareholders of the Company as Special Resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested in the proposed resolutions.

Resolution Nos. 2 & 3:

As per Section 188 of the Companies Act, 2013, read with Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014, prior approval of the Company by a resolution is required for the revision of remuneration and revision in the terms of remuneration of a related party who appointed to hold office or place of profit in the Company, in case of such revised monthly remuneration exceeds two and a half lakh rupees.

Mr. Sooraj Nandan, son of Mr. V P Nandakumar, Managing Director & CEO of the Company is covered by the above-mentioned Section and Rules. Mr. Sooraj Nandan is a dynamic executive, graduated from University of East London, UK, in Business Studies and also holds degree in Master of Science – Risk Management from the same university. He was appointed in

the Company as SVP-Strategies with additional responsibilities of handling employees' grievances and heading training department. At present, he is heading Operations Department of the Company and plays effective role in the business and branch operations. He is also a non-executive director on the board of the subsidiary company, Manappuram Insurance Brokers Pvt. Ltd.

Dr. Sumitha Nandan, daughter of Mr. V P Nandakumar, Managing Director & CEO of the Company is covered by the above-mentioned Section and Rules. Dr. Sumitha Nandan is a dynamic executive and she has a professional degree in Medicine from Rajiv Gandhi University of Health Sciences, Karnataka and holds post-graduation in M.S. (Obstetrics & Gynecology) from Sree Ramachandra University, Chennai. She plays key and effective role for the growth of Online Gold Loan business of the Company as CEO – OGL (Online Gold Loan) and holds additional responsibility of assisting efficient functioning of MD & CEO's Office and effective co-ordination within the Company between various corporate functions as SVP - Executive Assistant to MD & CEO. She is also a non-executive director on the board of the subsidiary company, Manappuram Home Finance Pvt. Ltd. Your directors are fully confident that Mr. Sooraj Nandan and Dr. Sumitha Nandan services would be of great value.

Board of Directors vide resolution passed at meeting dated 10th August, 2017 has approved the revision of remuneration by way of increment from Rs.42.35 Lakhs to Rs.48.70 Lakhs per annum on a CTC basis with effect from April 01, 2017 to Mr. Sooraj Nandan as recommended by the Nomination, Compensation and Corporate Governance Committee and Audit Committee at its respective meetings held on 10th August, 2017, subject to approval of the shareholders.

Shareholders vide postal ballot results declared on 05th July, 2016 had approved the revision of remuneration of Mr. Sooraj Nandan, SVP and Dr. Sumitha Nandan, SVP with annual increment of 10%.

The Nomination, Compensation and Corporate Governance Committee at its meeting held on 10th August, 2017 has recommended revising the terms of remuneration of Mr. Sooraj Nandan, SVP and Dr. Sumitha Nandan, SVP such that annual increment shall not be automatic at a pre-determined percentage and they will be eligible up to 15% as annual increment only upon recommendation by the Nomination, Compensation and Corporate Governance Committee to the Board based on the evaluation of Key Performance Indicators. Since, Mr. Sooraj Nandan and Dr. Sumitha Nandan are related parties and persons belonging to promoter group, Audit Committee has also approved the revision in terms of remuneration at its meeting held on 10th August, 2017.

Your Directors, therefore, recommend the above resolutions for approval of the Shareholders of the Company as Ordinary Resolutions.

Except Mr. V P Nandakumar and his relatives, no other Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested in the proposed resolutions.

**By order of Board of Directors
For Manappuram Finance Limited**

Sd/-
Ramesh Periasamy
Company Secretary

Date: 09/10/2017
Place: Valapad, Thrissur

NOTES:

1. The Postal Ballot /e-voting Notice is being sent to the Members, whose names appear in the Register of Members/ beneficiary position maintained by the depositories as on October 06, 2017 (Cut-off Date) and voting rights shall be reckoned on the paid-up value of shares registered in the name(s) of the Member(s)/ Beneficial Owner(s) as on the same date.
2. There will be one Postal Ballot Form for every folio/ client id irrespective of the number of joint holders. In case of joint holding, the Postal Ballot Form should be completed and signed by the first named shareholder and in his absence by the next named shareholder.
3. Voting rights in the Postal Ballot/e-voting cannot be exercised by a proxy. However, corporate and institutional shareholders shall be entitled to vote through their authorized representatives with proof of their authorization.
4. The Board has appointed, Mr. Sathish V, B.Com, LLB, PGDT, ACMA, FCS, Practicing Company Secretary, B 1, I Floor, Periellath Towers, Jawahar - Mahatma Road, Vyttila, Cochin – 682019, as the Scrutinizer for conducting the Postal Ballot /e-voting process in a fair and transparent manner.
5. In Compliance with the provisions of Section 108 and 110 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, SEBI (LODR) Regulations, 2015, the Company is pleased to provide e-voting facility to all the Members of the Company. The Company has entered into an agreement with CDSL for facilitating e-voting to enable the Members to cast their votes electronically instead of dispatching Postal Ballot Form. However, e-voting is optional.
6. The shareholders can opt for only one mode of voting i.e., through Postal Ballot or e-voting. If the shareholders decide to vote through Postal Ballot they are advised not to vote through e-voting and vice versa. In case of voting by both the modes, e-voting of such shareholder will be considered and counted and voting through a valid physical Postal Ballot Form will be treated as invalid.
7. The Scrutinizer's decision on the validity of a Postal Ballot/ e-voting will be final.
8. Electronic copy of the Notice and Postal Ballot Form is being sent to all Members who have registered their e-mail and for members who have not registered their email address, physical copies of the Postal Ballot Form and self-addressed Business Reply Envelope are being sent through the permitted mode along with this notice. Members who have received Postal Ballot Notice by e-mail and wish to vote through physical Postal Ballot Form may download the Postal Ballot Form from the link <http://www.cdslindia.com> or from the notice to shareholders section on the Company's website www.manappuram.com.
9. Resolutions passed by the Members through Postal Ballot are deemed to have been passed as if the same have been passed at a General Meeting of the Members.
10. Upon completion of the scrutiny of the Forms, after collating the votes cast through e-voting and votes cast through Postal Ballot, the Scrutinizer will submit his report to the Chairman / Managing Director. The results of the Postal Ballot would be announced by the Chairman or Managing Director or by Company Secretary or any other person authorized by the Chairman at the Registered Office of the Company situated at IV/470A(old)W638A(new), Manappuram House, Valapad P.O, Thrissur – 680 567 within three days of end of voting. The date of declaration of the results of the Postal Ballot/e-voting by posting the same on the website of the Company will be taken to be the date of passing of the resolution.
11. The said results along with the Scrutinizer's Report would be displayed at the Registered Office of the Company, intimated to the Stock Exchanges where the Company's shares are listed and hosted on www.manappuram.com and on <http://www.cdslindia.com>.
12. All the documents referred to in accompanying notice and statement setting out material facts shall be open for inspection at the Registered Office of the Company without any fee on all working days (Monday to Saturday) between IST 9:00 a.m. and 5:00 p.m. from the date of dispatch of notice up to the date of declaration of results of Postal Ballot/ e-voting.

INSTRUCTIONS

Process and manner for members opting to vote by electronic means:

1. Electronic copy of the Notice is being sent to all the members whose e-mail id is registered with the Company/ Depository Participants unless any member has requested for a hard copy of the same.
2. For members who have not registered their e-mail id, physical copy of Notice is sent through the permitted mode separately.
3. The Company has engaged the services of Central Depository Services Limited (CDSL) as the authorised agency to provide the e-voting facilities.
4. In case of Members casting their vote both by Postal Ballot and e-voting, then voting done through e-voting shall prevail and voting done by Postal Ballot will be treated as invalid.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on October 17, 2017 at 9.00 A.M. and ends on November 15, 2017 at 5.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date October 06, 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none">● Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.● In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none">● If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that

this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for <MANAPPURAM FINANCE LIMITED> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non – Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
- (xxi) The following person shall be responsible to address grievances concerned with facility for remote e-voting:

Contact Name – Mr. Rakesh Dalvi, Designation - Deputy Manager, Address - 16th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400001. Contact No.18002005533. Email id - helpdesk.evoting@cdslindia.com.

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**ARTICLES OF ASSOCIATION
OF
MANAPPURAM FINANCE LIMITED
(INCORPORATED UNDER THE COMPANIES ACT, 1956)
COMPANY LIMITED BY SHARES
PART I**

Preliminary

1. The Regulations contained in Table "F" of the First Schedule to the Companies Act, 2013 or any statutory modifications thereof, shall apply to this Company as far as applicable to a Public Company except to the extent the said regulations have been expressly altered, varied and omitted in these Articles. These articles and wherever required the said regulations contained in Table "F" shall be the regulations for the management of the Company.

Definitions

2. I. In these presents, unless excluded by the subject or context, words or expressions defined hereunder shall bear the meaning assigned to them as given below and words or expressions not defined hereunder but which have been defined in the Companies Act, 2013 or any statutory modifications thereof shall bear the meaning assigned to such words or expressions in the said Act or any statutory modifications thereof.
 - (i) "The Act" means the Companies Act, 2013 and the Rules, Regulations, Notifications made there under.
 - (ii) "The Board" or "The Board of Directors" means, as the case may be, the collective body of Directors of the Company or the directors, assembled at a board meeting or the requisite number of Directors entitled to pass a circular Resolution in accordance with these articles.
 - (iii) "The Company" means MANAPPURAM FINANCE LIMITED.
 - (iv) "The Office" means the Registered Office for the time being of the Company.
 - (v) "Director" means a director appointed to the Board of the Company.
 - (vi) "Register" means the Register of Members of the Company required to be maintained under Section 88 of the Act.
 - (vii) "Dividend" includes interim dividend
 - (viii) "Member" in relation to the Company means
 - (a) The subscriber to the memorandum of the Company, who shall be deemed to have agreed to become the member of the Company, and on its registration, be entered in the register of members.
 - (b) Every other person who agrees in writing to become a member of the Company and whose name is entered in the register of members of the Company.
 - (c) Every person holding shares of the Company and whose name is entered as a beneficial owner in the records of a depository.
 - (ix) "Beneficial Owner" shall mean beneficial owner as defined in clause (a) of Sub-section (1) of Section 2 of the Depositories Act, 1996.
 - (x) (l) "Depository" shall mean a Depository as defined in clause (e) of sub section (1) of section 2 of the Depositories Act, 1996.
 - (xi) "SEBI" means the Securities and Exchange Board of India established under section 3 of the Securities and Exchange Board of India Act, 1992.
 - (xii) "Person" shall include any association, firm, body corporate or company as well as individuals as the context permits.
 - (xiii) "Security" or "Securities" means such securities as defined under Section 2(h) of the Securities Contracts (Regulation) Act, 1956.
 - (xiv) "Debt Securities" means non-convertible debt securities as defined under regulation 2(1)(e) of the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.
 - (xv) "Share" means a share in the capital of the Company including a preference share.
- II. Unless the context otherwise requires, words or expressions contained in these articles, shall bear the same meaning as the Companies Act, or any statutory modifications thereof.

Share Capital

3. (i) The authorized share capital of the Company shall be such amount and of such description as is stated for the time being in Clause V of the Memorandum of Association with power to divide the capital into several classes and to attach thereto, respectively, such preferential, deferred, qualified, differential or special rights, privileges or conditions with voting rights or with differential rights as to dividend, voting or otherwise as permissible under law and as may be determined by the Company and to vary, modify, amalgamate or abrogate any such rights, privileges or conditions in such manner as may be permitted by the Companies Act, 2013 and / or the Regulations made by SEBI from time to time and as the Company deems fit and necessary.
4. The Company shall have the power to increase, consolidate, sub-divide or reduce the capital for the time being of the Company and to divide the shares in the capital into several classes with rights, privileges or conditions as may be determined.
5. The Company shall have power to issue preference shares carrying a right to redemption out of profit or out of the proceeds of fresh issue of shares or by any other means as it may deem fit.

Shares at the Disposal of the Directors

6. Subject to the provisions of Sections 42, 43, 48, 54, 55, 62, 63, 71 and other provisions of the Act and these Articles, the shares in the capital of the Company for time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit and with the sanction of the Company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares. Provided that option or right to call off shares shall not be given to any person or persons without the sanction of the Company in the General Meeting.

Further issue of shares

7. I. Where at any time it is proposed to increase the subscribed capital of the Company by way of "Rights Issue", by allotment of further shares whether out of the unissued capital or out of the increased share capital then;
 - (i) Such further shares shall be offered to the persons who at the date of the offer, are holders of the equity shares of the Company, in proportion, as near as circumstances admit, to the capital paid up on those shares at the date.
 - (ii) Such offer shall be made by a notice specifying the number of shares offered and limiting a time not less than fifteen days and not more than thirty days from the date of the offer and the offer if not accepted, will be deemed to have been declined.
 - (iii) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to them in favour of any other person and the notice referred to in sub clause (b) hereof shall contain statement of this right, PROVIDED THAT the Directors may decline, without assigning any reason to allot any shares to any person in whose favour any member may renounce the shares offered to him.
 - (iv) After expiry of the time specified in the aforesaid notice or on receipt of earlier intimation from the person to whom such notice is given that he declined to accept the shares offered, the Board of Directors may dispose-off them in such manner and to such person(s) as they may think, in their sole discretion, fit.
- II. Nothing in sub-clause (c) of (1) hereof shall be deemed;
 - (i) To extend the time within which the offer should be deemed;
 - (ii) To authorise any person to exercise the right to renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.
- III. Nothing in this article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option attached to the debenture issued or loans raised by the Company:
 - (i) To convert such debentures or loans into shares in the Company; or
 - (ii) To subscribe for shares in the Company (whether such option is conferred in the Articles or otherwise).PROVIDED THAT the terms of issue of such debentures or the terms of such loans include a term providing for such option and such term:
 - (i) Either has been approved by the Central Government before the issue of the debentures or the raising of the loans or is in conformity with the Rules, if any made by that Government in this behalf, and
 - (ii) In the case of debentures or loans or other than debentures issued to or loans obtained from Government or any institution specified by the Central Government in this behalf, has also been approved by a special resolution passed by the Company in General Meeting before the issue of the debentures or raising of the loans.

IV. Issue of shares to employees:

The Board may from time to time issue and allot shares as Sweat Equity Shares or under Employee Stock Option Scheme/ Employee Stock Performance Plan subject to such limits and upon such terms and conditions and subject to such approvals, consents as are required under the applicable provisions of the Act and other rules, guidelines and regulations in this behalf and any amendment and modifications thereto as may be in force. The board of directors of the company is authorized absolutely at their sole discretion to determine the terms and conditions of issue of such shares and modify the same from time to time

Commission and Brokerage

8. (i) The Company may pay commissions, provided that the rate percent, or the amount of the commission paid or agreed to be paid shall be as decided by the Board.
- (ii) The rate of the commission shall not exceed the rate of five percent of the price at which the shares in respect where of the same is paid are issued or an amount equal to five percent of such price, as the case may be, and in case of debentures two and half percent of the price at which debentures are issued.
- (iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or debentures or partly in one way and partly in the other.
- (iv) The Company may also pay such brokerage as may be lawful on any issue of Securities.

Buy Back of Shares

9. The Company shall have power subject to approval of the Board or by the Company, as the case may be, to buy back shares from the members of the company in accordance with Section 68 of the Act.

Trusts not recognized

10. "Save as herein otherwise provided, the company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share and whose name appears as the beneficial owner of shares in the records of the Depository, as the absolute owner thereof and accordingly shall not (except as ordered by a Court of competent jurisdiction or as by law required) be bound to recognize any benami trust or equity or equitable, contingent or other claim to or interest in such shares on the part of any other person whether or not it shall have expressed or implied notice thereof".

Modification of rights

11. (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of Sections 48 and whether or not the company is being wound up with the consent in writing of the holders of three fourths of the issued shares of that class, or with the sanction of a special resolution passed at the separate meeting of the holders of the shares of that class.
- (ii) To every such separate meeting the provisions of these Articles relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be two persons at least holding or representing by proxy one third of the issued shares of the class in question.
12. The rights conferred upon the holder of the shares of any class issued with preferred or other rights shall not unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari-passu therewith.

Share Certificates

13. (i) "Every member shall be entitled, without payment, to one or more Certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as the Directors may from time to time determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within two months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be, provided the shares are not held in an electronic and fungible form under the provisions of the Depositories Act, 1996".
- (ii) "Every certificate of shares shall be signed by two Directors and the Secretary or some other persons authorised by the Board and shall specify the numbers and distinctive numbers of shares in respect of which it is issued and amount paid up thereon and shall be in such form as the Directors may prescribe or approve, provided that in respect of a share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one of several joint holders shall be sufficient delivery to all such holder".
- (iii) "Notwithstanding anything obtained in the Articles of Association, the company shall be entitled to dematerialize its shares, debentures and other securities pursuant to the Depositories Act, 1996, and to offer its shares, debentures and other Securities for subscription in a dematerialized form. The company shall further be entitled to maintain a Register of Members with the details of Members holding shares both in material and dematerialized form in any media as permitted by law including any form of electronic media".

- (iv) "The Company shall be entitled to dematerialize its existing shares, debentures and other securities, rematerialize its shares, debentures and other securities held in the Depositories and or offer its fresh shares, debentures and other securities in a dematerialized form pursuant to the Depositors Act, 1996, and the Securities and Exchange Board of India (Depositories and Participants) Regulations 1996".
- (v) "Every person subscribing to securities offered by the company shall have the option to receive Securities Certificates or to hold the Securities with a depository. Such a person who is the beneficial owner of the Securities with a depository, if permitted by the law in respect of any Security in the manner provided by the Depositories Act, and the company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificate of securities".
 "If a person opts to hold the security with a depository, the company shall intimate such depository the details of allotment of security, and on receipt of the information, the depository shall enter in its record the name of the allottee as the beneficial owner of the security".
- (vi) All securities held by a depository shall be dematerialized and be in fungible form.
- (vii) Notwithstanding anything to the contrary contained in the Act or the Articles, a depository shall be deemed to be 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 Securities held by it.
 The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by depository.
- (viii) Notwithstanding anything in the Act or these Articles to the contrary, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the company by means of electronic mode or by delivery of floppies or discs.

14. Issue of new certificate in place of one defaced, lost or destroyed.

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

Provided that notwithstanding what is stated above the Directors shall comply with such Rules, or Regulation or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable in this behalf.

The provisions of this Article shall mutatis apply to debentures of the Company.

Call on Shares

- 15. (i) The Board may from time to time, make calls upon the members in respect of any moneys unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed time.
 Provided that no call shall exceed one fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last proceeding call.
- (ii) Each member shall subject to receiving at least THIRTY days' notice specifying the time or times and place of payment, pay to the Company at the time or times and place so specified the amount called on his shares.
- (iii) A call may be revoked or postponed at the discretion of the Board.
- 16. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by installments.
- 17. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
- 18. (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof the person from whom the sum is due, shall pay interest thereon from the day appointed for the payment thereof to the time of actual payment at five percent or at such lower rate, if any, as the Board may determine.
- (ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.
- 19. (i) any sum which by the terms of issue of a share becomes payable on allotment or in part at any fixed date whether on account of the nominal value of the share or by way of premium, shall, for the purpose of these Articles be deemed to be a call duly made and payable on the date on which, by the terms of issue, such sum becomes payable.
- (ii) In case of non-payment of such sums all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply, as if such sum had become payable by virtue of a call duly made and notified.

Payment in Anticipation of call may carry interest

20. The Board may, if they deem fit, agree to and receive from any member willing to advance the same whole or any part of the moneys due upon the shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in advance, or so such thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate, as the member paying such sum in advance the Directors agree upon provided that money paid in advance of calls shall not confer a right to participate in profits or dividends. The Board may at any time decide to repay the amount so advanced.

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

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

Forfeiture

21. If a member fails to pay the whole or any part of any call or installment or any money due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same the Directors may at any time thereafter during such time as the call or installment or other money remains unpaid serve a notice on such member or on the persons (if any) entitled to the share by transmission, requiring him to pay the same together with any interest that may have been accrued by reason of such nonpayment.
22. The notice aforesaid shall-
- (i) name a further day (not being earlier than the expiry of 14 days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
 - (ii) state that in the event of non-payment on or before the day so named, the share in respect of which the call was made will be liable to be forfeited.
23. If the requirements of any such notice as aforesaid are not complied with, any shares in respect of which such notice has been given may at any time thereafter, before payments of call or installment, interest and expenses due in respect thereof, be forfeited by a resolution of the Board to that effect and the forfeiture shall be recorded in the Directors Minute Book. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.
24. When any share shall have been so forfeited notice of the resolution shall be given to the member in whose name it stood immediately prior to the forfeiture with date thereof shall forth be made in the Register of the members.
25. Any shares so forfeited shall be deemed to be the property of the Company and the Directors may sell, re-allot or otherwise dispose of the same in such manner as they think fit, Board, may, at any time before any shares so forfeited shall have been sold, re allotted or otherwise disposed of annual the forfeiture thereof upon such conditions as it thinks fit.
26. Any member whose shares have been forfeited shall cease to be a member of the Company in respect of the forfeited shares, but shall notwithstanding the forfeiture remain liable to pay to the Company all calls, installments, interests, and expenses owing upon or in respect of such shares at the date of the forfeiture, together with interest thereon from time of forfeiture, until payment at the rate of ten percent per annum and the Directors may enforce the payment thereof, if they think fit.
27. The forfeiture of a share shall involve the extinction of all interest in and also of all claims and demands against the Company in respect of the share, and all other rights incidental to the share, except only such of those rights as by the Articles are expressly saved.
28. (i) A duly verified declaration in writing that the declarant is a Director of the Company and that a share in the company have been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share.
- (ii) The Company may receive the consideration, if any, given for the share on any sale, or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of.
- (iii) The transferee shall thereupon be registered as the holder of the share.
- (iv) The transferee shall not be bound to see to the application of the purchase money, if any or shall his title to the share be effected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale and disposal of the share.

Company's Lien on Share / Debentures

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

30. No member shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him, have not been paid or in regard to which the Company has exercised any right of lien.
31. The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien:
Provided that no sale shall be made
 - (i) Unless a sum in respect of which the lien exists is presently payable' or
 - (ii) Until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.
32. The net proceeds of any such sale be applied in or towards satisfaction of the debts, liabilities, or engagements of such member, his executors, administrators or representatives and the residue, if any, shall subject to a like lien for sums not presently payable as existed upon the shares before the sale be paid to the persons entitled to the shares at the date of sale.
33. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers given, the Directors may cause the purchaser's name to be entered, in the register of members in respect of the shares sold, and the purchaser shall not be bound to see the regularity of the proceedings, or to the applications of the purchase money, and after his name had been entered in the register in respect of such shares the validity of the sale shall not be impeached by any person, and the remedy of any persons aggrieved by the sale shall be in damages only.

Transfer

34. Save as provided in Section 56 of the Act no transfer of shares or debentures of the Company shall be registered unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee has been delivered to the Company together with certificate or if no such certificate is in existence, the Letter of Allotment of the shares. The instrument of transfer of the shares in or debentures of the Company, shall be in such form as prescribed under the Act. The transferor shall be deemed to remain the holder of such shares until the name of the transferee is entered in the Register of members. Each signature to such transfer shall be duly attested by the signature of one witness who shall add his address.
35. Application for the registration of the transfer of a share may be made either by the transferor or the transferee where such application is made by the transferor and relates to a partly paid share, no registration shall be effected unless the Company gives notice of the application to the transferee, in the manner prescribed by Section 56 of the Act. Subject to the provision of Articles thereof, if the transferee makes no objection within two weeks from that date of receipt of the notice, the Company shall enter in the register of members the name of the transferee in the same manner and subject to the same conditions as if the application for registration as made by the transferee.
36. Before registering any transfer for registration the Company may, if it thinks fit, give notice by letter posted in the ordinary course to the registered holder, that such transfer deed has been lodged and that unless objection is made the transfer will be registered and if such registered holder fails to lodge an objection in writing at the office of the Company within ten days from the posting of such notice to him he shall be deemed to have admitted the validity of the said transfer. Where no notice is received by the registered holder the Company shall be deemed to have decided not given notice and in any event the non-receipt by the registered holder of any notice shall not entitle him to make any claim of any kind against the Company or the Board in respect of such non-receipt.
37. Neither the Company nor its Board shall incur any liability for registering of effecting a transfer of shares apparently made by competent parties, although the same may, by reason of any fraud or other abuse not known to the Company or its Board, be legally inoperative or insufficient to pass the property in the shares or debentures proposed to be transferred, and although the transfer may as between transferor and transferee, be liable to be set aside and notwithstanding that the Company may have notice that such instruments of transfer was signed or executed and delivered by the transferor in blank as to the name of the transferee or the particulars of the shares transferred, or otherwise in defective manner. In every such cases the person registered as transferee, his executors, administrators or assigns alone shall be entitled to be recognised as the holder of such share or debentures and the previous holder of such share or debentures shall, so far as the Company is concerned, be deemed to have transferred his whole title thereto.
38. No transfer shall be made to a minor or person of unsound mind.
 - (i) The instrument of transfer shall be in the form as prescribed under Companies Act and/or by the rules made there under.
39. Every instrument of transfer shall be left at the office for registration, accompanied by the certificate of the shares or if no such certificate is in existence, by the Letter of Allotment of the shares to be transferred and such other evidence as the Board may require to prove the title of the transferor or his right to transfer the shares, and upon payment of the proper fee to the Company, the transferee shall (subject to the right of the Board to decline to register as hereinafter mentioned) be registered as a member in respect of such shares. The Board may waive the production of any certificate upon evidence satisfactory to it of its loss or destruction.
 - (i) No fee shall be charged for the registration of any transfer probate and/or letters of administration. Certificate of death and/or marriage, power of attorney and/or other similar instruments.
 - (ii) The Board of Directors shall effect transfer, transmission, split or sub-division or consolidation within one month from the date of lodgment of documents.

40. All instruments of transfer which shall be registered, shall be retained by the Company, but any instruments of transfer which the Board may decline to register shall be returned to the person depositing the same.

41. Directors may refuse to Register Transfer:

Subject to the provisions of Section 58 of the Act, the Directors may, at their own absolute and uncontrolled discretion and by giving reasons, decline to register or acknowledge any transfer of shares whether fully paid or not and the right of refusal, shall not be affected by the circumstances that the proposed transferee is already a member of the Company but in such cases, the Directors shall within one month from the date on which the instruments of transfer was lodged with the Company, send to the transferee and the transferor notice of the refusal to register such transfer provided that registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except when the Company has a lien on the shares. Transfer of shares/debentures in whatever lot shall not be refused.

The registration of transfers may be suspended after giving due notice at such times and for such periods as the Board may from time to time determine.

Provided that such registration shall not be suspended for more than forty-five days in any year, and not exceeding thirty days at any one time.

42. (i) Shares in the Company shall be transferred in the form for the time being prescribed under the rules framed under the Act.
- (ii) Notwithstanding anything contained in the Articles of Association, in the case of transfer of shares or other marketable securities, where the company has not issued any certificates and where such shares or securities are being held in an electronic and fungible form, the provisions of the Depositories Act, 1996, shall apply.

Transmission

43. The executors or administrators or the holder of a succession certificate in respect of shares of a deceased member (not being one of several joint holders) shall be the only person whom the Company shall recognise as having any title to the shares registered in the name of such member and, in case of the death of any one or more of the joint holder of any registered shares, the survivors shall be the only persons recognised by the Company as having any title interest in such shares, but nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other person. Before recognising any executor or administrator or legal heir the Board may require him to obtain a grant of probate or letter of administration or succession certificate or other legal representation as the case may be, from a competent court.

Provided nevertheless that in any case where the Board in its absolute discretion thinks fit it may dispense with production of probate or letter of administration or a succession certificate or such other legal representation upon such terms as to indemnify the company or otherwise as the Board may consider desirable.

Provided also that the holder of a succession certificate shall not be entitled to receive any dividends already declared but not paid to the deceased member unless the succession certificate declares that the holder thereof is entitled to receive such dividends.

44. Any person becoming entitled to a share in consequence of the death, lunacy or insolvency of a member may, upon producing such evidence of his title as the Board thinks sufficient, be registered as a member in respect of such shares, or may subject to the regulations as to transfer herein before contained, transfer such shares.

45. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.

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

- (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.
- (ii) If the person aforesaid shall elect to transfer the shares to some other person he shall execute an instrument of transfer in accordance with the provisions of these Article relating to the transfer of shares.
- (iii) All the limitations, restrictions and provisions of these Articles relating to the right of transfer and the registration of transfer of shares shall be applicable to any such notice or transfer as aforesaid as if the death, lunacy or insolvency of the member had not occurred and the notice of transfer where a transfer signed by that member.

47. The Articles providing for transfer and transmission of shares, shall mutatis mutandis apply to the transfer and transmissions of Debentures of the Company.

Alteration of Capital

48. The Company in General Meeting may
- (i) Increase its authorised share capital by such amount as it thinks expedient by creating new shares.
 - (ii) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares.
 - (iii) Sub-divide its existing shares, or any of them into shares of smaller amount than is fixed by the Memorandum of Association subject to the provisions of clause (d) of subsection (i) of Section 94 of the Act.
 - (iv) Cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.
 - (v) Reduce its capital in any manner authorised by Section 66 of the Act.

The powers conferred by this Article may be exercised by an ordinary resolution, except in the case of reduction of capital when the exercise of the power in that behalf shall be by a special resolution. The Company shall give due notice to the Registrar of any such alteration in capital.

Nomination

49. (i) Any person whose name is entered in the relevant register as a member of the Company or as a debenture holder may, if he so desires, nominate another person to whom the shares or debentures held by him shall vest on his death.
- (ii) Such nomination may be revoked at any time and the member may make fresh nomination if he so desires.
- (iii) The nomination must be made in accordance with the provisions of the Act.
- (iv) If the shares or debentures are held in joint names, all the joint holders, shall jointly, nominate a person to whom the shares or debentures shall vest on the death of all the joint holders. Otherwise the nomination shall be liable to be rejected.
- (v) Any person who becomes entitled to shares or debentures due to any nomination in his favour may, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either
- (a) to be registered himself as holder of the share or debenture, as the case may be; or
 - (b) to make such transfer of the share or debenture, as the case may be, as the deceased shareholder or debenture holder could have made.

General Meetings

50. All general meetings other than annual general meeting shall be called extra ordinary general meetings.
51. (i) The Board may, whenever it thinks fit, call an extra-ordinary general meeting.
- (ii) If at any time there are not within India directors capable of acting who are sufficient in number to form a quorum, any director of the Company may call an extra-ordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

Proceeding at General Meetings

52. (i) No business shall be transacted at any general meeting unless a quorum of member is present at the time when the meeting proceeds to business.
- (ii) Save as herein otherwise provided, such number of persons as stipulated under Section 103 of the Act present in person shall be a quorum.
53. The Chairman, if any, of the Board shall preside as Chairman at every general meeting of the Company.
54. If there is no such Chairman, or if 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 directors present shall elect one of their member to be Chairman of the meeting.
55. If at any meeting no director is willing to act as Chairman or if no Director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their member to be Chairman of the meeting.
56. (i) The Chairman may, with the consent of any meeting at which a quorum is present, and shall if so directed by the meeting, adjourn the meeting from time to time and from place to place.
- (ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
- (iv) Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

57. In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place, or at which the poll is demanded shall be entitled a second or casting vote.
58. Any business other than that upon which a poll has been demanded may be proceed with, pending taking of the poll.

Votes of members

59. Subject to any rights of restriction for the time being attached to any class or classes of shares....
- (i) on a show of hands, every member present in person shall have one vote; and
 - (ii) on a poll, the voting rights of members shall be as laid down in Section 47.
60. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy shall be accepted to the exclusion of the votes of the other joint holders. For this purpose seniority, shall be determined by the order in which the names stand in the register of members.
61. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may on a poll vote by proxy.
62. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.
63. (i) No objection shall be raised to the qualification of any vote except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.
- (ii) Any such objection made in due time shall be referred to the Chairman of the meeting, whose decision shall be final and conclusive.
64. The instruments appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, shall be deposited at 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.
65. An instrument appointing a proxy shall be in a form as prescribed under the Act.
66. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed or the transfer of the shares in respect of which the proxy is given.

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

- (i) Notwithstanding anything contained in the Articles of Association of the company, the company do adopt the mode of passing a resolution by the Members of the company by means of a postal ballot and/or other ways as may be prescribed by the Central Government in this behalf in respect of prescribed matters instead of transacting such business in a general meeting of the company.

Directors

67. The directors of the company for the time being shall be those persons who are appointed on the Board and whose names are entered and shown as those occupying the office of director for the time being, in the Register of Directors maintained by the company.
68. Unless otherwise determined by the Company in General Meeting number of directors shall not be less than three and shall not be more than fifteen.
69. The Company may, from time to time by special resolution increase or reduce the number of Directors.
70. (i) Remuneration of the Directors for attending the meeting of the Board of Directors or a Committee there of shall be fixed by the Board from time to time within the overall ceiling presented under the Act.
- (ii) Any Director performing extra services or making any special exertion for any of the purpose of the Company or who is a managing or whole time Director, may be paid such fixed sum of remuneration either by way of monthly payment or at a specified percentage of profit or in any other manner as the Company may determine, subject to the provisions of the Act.
- (iii) The remuneration of the Directors shall be in so far as it consists of a monthly payment, be deemed to occur from day to day.
- (iv) The Directors may allow and pay to any Director who, for the time being is resident out of the place at which any meeting or committee meeting of the Directors may be held and who shall come to that place for the purpose of attending such

meeting such sum as the Directors may consider fair and reasonable for his expenses, in connection with his attending at the meetings in addition to his remuneration as specified herein before. The Directors may also be paid or reimbursed all travelling, hotel and other expenses properly incurred by them in connection with the business of the Company.

71. All cheques, promissory notes, drafts, hundies, bills of exchange and other negotiable instruments, and for all receipts for moneys paid to the Company shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be by the Managing Director or by such person and in such manner as the Company in General Meeting or the Board shall from time to time by resolution determine.
72. Every Director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purposes.
73. (i) The Board shall have power at any time, and from time to time to appoint a person as an additional director provided the number of the director and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles.
- (ii) Such person shall hold office only up to the date of the next annual general meeting of the Company but shall be eligible for appointment by the Company as a director at the meeting subject to the provisions of the Act.
74. (i) The Board of Directors shall also have power to fill a casual vacancy in the Board. Any Director so appointed shall hold office only so long as the vacating Director would have held the same if no vacancy has occurred.
- (ii) The Board may appoint any person to act as an alternate Director for a Director during the latter's absence for a period of not less than three months from the country in which meetings of the Board are ordinarily held and such appointment shall have effect and such appointee whilst he holds office as an alternate Director, shall be entitled to notice of meeting and to attend and vote there at accordingly, but he shall "ipso facto" vacate office, if and when the absent Director vacates office as a Director.
75. In the event of the Company borrowing any money from any Financial Corporation or Institution or Government or Government Body or any collaborator, Bank, person or persons or any other loan giving agency or source while any money remains due to them or any of them, the said Corporation, Institution or the Government body or the financier or collaborator or Bank or anybody as the case may be, shall have and may exercise the rights and powers to appoint from time to time any person or persons to be a director or directors of the Company, that such directors shall not be liable to retire by rotation subject to the limits prescribed under the Companies Act, nor be required to holding qualification shares. Any person so appointed may at any time be removed from office by the appointing authority who may, from the time of such removal or in case of death or resignation of the person appoint any other or others in his place. Any such appointment or removal shall be in writing signed by the appointed and served on the Company.
76. The Company may, by ordinary resolution of which special notice has been given in accordance with Section 115 of the Act remove any Director including the Managing Director, if any, before the expiration of his period of office notwithstanding anything in these regulations or in an agreement between the Company and such Director. Such removal shall be without prejudice to any contract of service between him and the Company.

Fees, Expenses and Remuneration of Directors

77. The Directors shall be paid a sitting fee as may be determined by the Board from time to time for every meeting of the Board or of any committee of the Board attended by them and all travelling, hotel and other expenses properly incurred by them in attending and returning from such meetings of the Board or of any committee of the Board.
78. Subject to the provisions of the Act, the Remuneration Policy for the Directors shall be formulated by the Company and on the advice of the professionals engaged by the Company. Any change in the remuneration policy shall be decided by the Company.

Contracts with Directors

79. No Director shall be disqualified by his office from contracting with the Company either as vendor, purchaser, agent, broker or otherwise, nor any such contract, or arrangement entered in to by or on behalf of the Company in which any Director shall, in any way be interested, be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason only of such Director holding that office or of the nature of his interest must be disclosed by him as required by the Act.
- (i) Every director of the Company who is in any way whether directly or indirectly concerned or interested in a contract or proposed contract or agreement, entered into or to be entered into by or on behalf of the company shall disclose the nature of his concern or interest at a meeting of the Board of Directors.
- (ii) In case of a proposed contract or agreement, the disclosure required to be made by a Director under sub-clause (a) shall be made at the meeting of the board at which the question of entering into the contract or arrangement is first taken up for consideration, or if the Director was not, at the date of that meeting concerned or interested in the proposed contract or arrangement, at the first meeting of the Board held after he becomes so concerned or interested.

- (iii) In the case of any other contract or arrangement the required disclosure shall be made at the first meeting of the Board held after the Director became concerned or interested in the contract or arrangement.
- (iv) For the purpose of such disclosure as aforesaid, a general notice given to the Board of Directors to the effect that he is a Director or member of a specified body corporate or Director of a specified Company or partner and is to be regarded as concerned or interested in any contract or arrangement which may, after the date of such general notice, be entered into with that body corporate or firm or Company shall be deemed to be a sufficient disclosure of such concern or interest in relation to any contract or arrangement so made.

Proceedings of Board

- 80. At each Annual General Meeting of the Company, one third of such of the Directors for the time being as are liable to retire by rotation, or if their number is not three or a multiple of three then the number nearest to one-third shall retire from office.
- 81. The Directors to retire by rotation at every Annual General Meeting shall be those who have been longest in office since their last appointment, but as between persons who became Directors on the same day those to retire shall in default of and subject to any agreement among themselves, be determined by lot.
- 82. Save as permitted by Section 162 of the Act, every resolution of a general meeting for the appointment of a Director shall relate to one named individual only.
- 83. The Company at the Annual General Meeting at which a Director retires by rotation in a manner aforesaid may fill up the vacated office by appointing the retiring Director or some other person thereto.

If the place of the retiring Director is not filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week at the same time and place, or if that day is a public holiday, till the next succeeding day which is not public holiday, at the same time and place. If, at the adjourned meeting also the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill vacancy, the retiring Director shall be deemed to have been reappointed at the adjourned meeting unless:
 - (i) at the meeting or at the previous meeting a resolution for the reappointment of such Director has been put to the vote and lost; or
 - (ii) the retiring Director has by notice in writing addressed to the Company or the Board expressed his unwillingness to be reappointed; or
 - (iii) he is not qualified or is disqualified for appointment or re-appointment by virtue of any provisions of the Act; or
 - (iv) Section 162 of the Act is applicable to the case.
- 84.
 - (i) The Board may elect a Chairman of its meeting and determine the period for which he is to hold office.
 - (ii) If no such Chairman is elected, or if at any meeting the Chairman is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their member to the Chairman of the meeting.
- 85.
 - (i) The Board may, subject to the provisions of the act delegate any of its powers to a committee consisting of such member or members of its body as it thinks fit.
 - (ii) Any Committee so formed shall, in the exercise of power so delegated, conform to any regulations that may be imposed on it by the Board.
- 86.
 - (i) A Committee may elect a Chairman of its meetings.
 - (ii) If no such Chairman is elected, or if at any meeting the chairman is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their member to be Chairman of the meeting.
- 87.
 - (i) A committee may meet and adjourn as it thinks proper.
 - (ii) Questions arising at any meeting of a committee shall be determined by majority of votes of the members present, and in case of an equality of votes, the Chairman shall have a second or casting vote.
- 88. All acts done by any meeting of the Board or of a committee thereof or by any person acting as a director, shall notwithstanding that it may be afterwards discovered that there was some defect in the appointment of anyone or more of such directors or of any person acting as aforesaid or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.
- 89. Save as otherwise expressly provided in the Act, a resolution in writing signed by the members of the Board or of a committee thereof, in accordance with the provisions of section 175, shall be as valid and effectual as if it had been passed at a meeting of the Board or committee, duly convened and held.

Minutes

90. (i) The Board shall in accordance with the Section 118 of the Act, cause minutes to be kept by making within thirty days of the conclusion of every meeting of the members of the Company and of every meeting of the Board or of every Committee of the Board, entries thereof in books provided for the purpose with their pages consecutively numbered, each page of every such book being initialed or signed and the last page of the record of proceedings of each meeting in such books being dated and signed in the case of minutes of proceedings of a meeting of the Board or a committee thereof by the Chairman of the said meeting or the Chairman of the next succeeding meeting and in the case of minutes of proceedings of a General Meeting by the Chairman of the same meeting within the aforesaid period of thirty days or, in the event of the death or inability of that chairman within that period by a Director duly authorised by the Board for the purpose provided that in no case shall the minutes of proceedings of a meeting be attached to any such books as aforesaid by pasting or otherwise.

The minutes shall be in compliance of Secretarial Standards notified under the said Section.

The minutes of each meeting shall contain a fair and correct summary of the proceedings thereof.

PROVIDED THAT no matter need be included in any such minutes which, the Chairman of the meeting, in his absolute discretion, is of opinion that it-

- (a) is, or could reasonably be regarded as defamatory of any person;
 - (b) is irrelevant or immaterial to the proceedings; or
 - (c) is detrimental to the interests of the Company.
- (ii) any such minutes of any meeting of the Board or of any committee of the Board or of the Company in general meeting, if kept in accordance with the provision of Section 118 of the Act, shall be evidence of the matter stated in such minutes. The minute books of general meetings of the company shall be kept at the office and shall be open to inspection by members during the business hours on such business days as the Act requires them to be open for inspection.

Powers of Directors

91. Subject to the provisions of the Act, the control of the Company shall be vested in the Board who 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 any act or things which is required whether by the Act or any other statute or by the Memorandum of the Company or by these Articles or otherwise to be exercised or done by the Company in General Meeting, provided further that in exercising any such power or doing any such act or thing, the Board shall be subject to the provisions in that behalf contained in the Act or any other Statute or in the Memorandum of the Company or in these Articles or in any regulations not inconsistent therewith and duly made there under including regulation made by the Company in General Meeting and no such regulations shall invalidate any prior act of the Board which would have been valid if that regulation has not been made.
92. Subject to and in accordance with the provisions of the Act, the Board shall retain and employ such staff as may be necessary for carrying on the business of the Company. The salary or other remuneration of such staff shall be defrayed by the Company, and all or any such staff be engaged exclusively for the Company or jointly with other concerns.
93. (i) The Board may from time to time at their discretion, subject to the provisions of the Act, raise or borrow either from the Directors or from elsewhere and secure the payment of any sums of money for the purpose of the Company.
- (ii) The Board may raise or secure the repayment of such sum or sums in such manner and upon such terms and conditions in all respects as they think fit, and in particular by the issue of bonds perpetual or redeemable debentures or any mortgage, charge, or other security on the undertaking or the whole or any part of the property of the Company (both present and future) including its uncalled capital for the time being.
94. If any uncalled capital of the Company is included in or charged by any mortgage or other security, the Board may by instrument under the Company's seal authorise the person in whose favour such mortgage or security is executed or any other person in trust for him to collect money in respect of calls made by the Board or members in respect of such uncalled capital and the provisions there in before contained in regard to call shall mutatis mutandis apply to calls made with such authority and such authority may be made exercisable either conditionally or personally or contingently and shall be assignable if expressed so to be.
95. Debentures, bonds and other security may be made assignable free from any equities between the company and the persons to whom the same may be issued.
96. Power of Company to exercise right to consolidate, re-purchase and/or re-issue the debt securities:
- (i) The Company will have the power, exercisable at its sole and absolute discretion from time to time, to re-purchase a part or all of its debt securities from the secondary markets or otherwise, at any time prior to the maturity date, subject to applicable law and in accordance with the prevailing guidelines/regulations issued by the RBI, the SEBI and other authorities. In the event of a part or all of its debt securities being repurchased as aforesaid or redeemed under any circumstances whatsoever, the Company shall have, and shall be deemed always to have had, the power to reissue the debt securities either by reissuing the same debt securities or by issuing other debt securities in their place.

- (ii) Debt securities issued by the Company on a private placement basis can be consolidated and / or re-issued subject to such terms and conditions as the Company and the holders of such debt securities may agree, further subject to such conditions as may be applicable under the law for the time being in force. Further, in respect of such re-purchased/re-deemed debt securities, the Company shall have the power, exercisable either for a part or all of those debt securities, to cancel, keep alive, appoint nominee(s) to hold or reissue at such price and on such terms and conditions as it may deem fit and as permitted by law.

Term of issue of Debenture

- 97. Any debentures or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, with a right to appointment of directors or otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.
- 98.
 - (i) Subject to the provisions of the Act and approval of Central Government and these Articles, the Board shall have power to appoint from time to time any of its members as Managing Director or Managing Directors, Executive Directors and or whole time Directors and or Special Director, like Technical Director, Financial Director of the Company for a fixed term and not exceeding five years at a time and upon such terms and conditions as the Board thinks fit, and the Board may by resolution vest in such Managing Director or Managing Directors, Executive Director(s) , whole time Director(s), Technical Director(s), Financial Director(s), Special Director(s) such of the power hereby vested in the Board generally as it thinks fit and such powers may be made exercisable for such period or, periods and upon such conditions subject to such restriction as it may determine. The remuneration of such Directors may be by way of monthly remuneration and/or fee for each meeting and/or participation in profits, or by any or all of those modes, or any other mode not expressly prohibited by the Act.
 - (ii) The Directors may whenever they appoint more than one Managing Director, designate one or more of them as "Joint Managing Directors" or "Deputy Managing Director" as the case may be.
 - (iii) The appointment and payment of remuneration to the above Director shall be subject to approval of General Meeting and of the Central Government if the provisions of the Act, so requires.
- 99. Subject to the provisions of Section 152 of the Act, a Managing Director shall not, while he continues to hold that office be subject to retirement by rotation, and he shall not be reckoned as a Director for the purpose of determining the rotation in retirement of Directors or in fixing the number of directors to retire, but (subject to the provisions of any contract between him and the Company) he shall be subject to the same provisions as to resignation and removal as, the other Directors of the Company and he shall ipsofacto and immediately, cease to be a Managing Director if he vacates the office of Director for any cause.
- 100. Subject to the provisions of the Act a Manager or Secretary may be appointed by the Board for such terms at such remuneration and upon conditions as it may think fit and any Manager or Secretary so appointed may be removed by the Board.

Inspection of Registers and Records

- 101. Subject to provisions of Sections 85, 119 and other applicable provisions, the Board of Directors can impose reasonable restrictions as regards time, place and also the fee / expenses payable for inspection of registers, minutes of general meetings, agreements and such other documents of the company as required under the Act or on the basis of notice to shareholders, as the case may be.

Dividends and Reserves

- 102. The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
- 103. The Board may from time to time pay to the members such interim dividends as appears to it to be justified by the profits of the company.
- 104.
 - (i) Subject to the provisions of the Act, the Board may before recommending any dividend set aside out of the profits of the Company such sums as at the discretion of the Board, be applicable, for any purpose to which the profits of the Company may be properly applied, including provisions for meeting contingencies or for equalizing dividends; and pending such application, may at the like discretion either be employed in the business of the Company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.
 - (ii) The Board may also carry forward any profits which it may think prudent not to divide, without setting them aside as a reserve.
- 105.
 - (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amount paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the nominal amounts of the shares.
 - (ii) No amount paid or credited as paid on shares in advance of calls shall be treated for the purpose of this Articles as paid on the shares.

- (iii) Unless otherwise decided by the Board all dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid, but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.
106. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.

Unpaid or unclaimed dividend

107. Where the Company has declared a dividend but which has not been paid or the dividend warrant in respect thereof has not been posted within 30 days from the date of declaration to any shareholder entitled to the payment of the dividend, the Company shall within 5 days from the date of expiry of the said period of 30 days, open a special account in that behalf in any scheduled bank called "Unpaid Dividend of Manappuram Finance Limited" and transfer to the said account, the total amount of dividend which remains unpaid or in relation to which no dividend warrant has been posted.

Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the Company to the Investor Education and Protection Fund Account of the Central Government. A claim to any money so transferred to the Investor Education and Protection Fund Account may be preferred to the Central Government by the shareholders to whom the money is due. No unclaimed or unpaid dividend shall be forfeited by the Board.

108. (i) Any dividend, interest or other moneys payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holders may in writing direct.
- (ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
109. Any one of two or more joint holders of a share may give effectual receipts for any dividends, bonuses or other moneys payable in respect of such share.
110. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

Accounts

111. (i) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them shall be open to the inspection of members not being directors.
- (ii) 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 law or authorised by the Board or by the Company in general meeting.

Audit

112. Once 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 auditors.
113. Provisions of the Act shall apply in respect of appointment of Auditors of the Company.

Capitalization of profits

114. (i) The Company in General Meeting may, upon the recommendation of the Board, resolve,
- (a) That it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the Profit and Loss Account, or otherwise available for distribution; and
 - (b) That such sum be accordingly set free for distributors in the manner specified in clause (II) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- (ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (III) either in or towards-
- (a) Paying up any amounts for the time being unpaid on any shares held by such members in respectively;
 - (b) Paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up to and amongst such members in the proportions aforesaid; or
 - (c) Partly in the way specified in sub-clause (a) and partly in the way specified in sub-clause (b)
- (iii) A share premium account and a capital redemption reserve fund may, for the purposes of these Articles be applied only in the paying upto unissued shares to be issued to members of the Company as fully paid bonus shares.
- (iv) The Board shall give effect to the resolution passed by the Company in pursuance of these Articles.

115. (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall: -
- (a) Make all appropriation and applications of the undivided profits resolved to be capitalized thereby, and all allotments and issues of fully paid shares if any; and
 - (b) Generally, do all acts and things required to give effect thereto.
- (ii) The Board shall have full power-
- (a) to make such provisions, by the issue of fractional certificates or by cash or otherwise as it thinks fit, for the case of shares, debentures becoming distributable in fractions and also;
 - (b) to authorise any person to enter, on behalf of all the members entitled thereto; into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalization or (as the case may require) for the payment by the Company on their behalf by the application thereto of their respective proportions of the profits resolved to be capitalized, or the amounts or any part of the amounts remaining unpaid on their existing shares.
- (iii) Any agreement made under such authority shall be effective and binding on all such members.

Winding up

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

Members

117. Every person who is a member and / or who intends to be or becomes a member of the Company shall, subject to the provisions of any law enforce, be bound by the provisions of the Memorandum and Articles of the Company and any matter of dispute arising between the Company and any such persons as regards mutual rights, obligations or otherwise shall be subject to the jurisdiction of the court having jurisdiction over the registered office of the Company in respect to the disputed matter.

Indemnity

118. Every officer for the time being of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending proceedings, whether civil or criminal in which judgment is given in his favour or in which he is acquitted any or in connection with any application under Section 463 or and statutory modifications thereof.

Secrecy

119. Every Director, Manager, Treasurer, Trustee, Member of Committee, Officer, Servant, Agent, Accountant or other persons employed in the business of the Company shall if so required by the Directors, before entering upon his duties sign a declaration pledge himself to observe a strict secrecy respecting all transaction and affairs of the company, with the customers and the state of accounts with individuals and in matters relating thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required to do so by the Board or by law or the person to whom such matters relate, except so far as may be necessary in order to comply with any of the provisions of these presents contained.

Social Objective

120. The Company shall have among its objectives the promotion and growth of the national economy through increased productivity effective utilization of material and man power resources and continued application of modern scientific and managerial techniques in keeping with the national aspirations, and the Company shall be mindful of its social and moral responsibilities to the customers, employees, shareholders, society and the local community and in this regard the Board is authorized to make grants or deposits or donations in accordance with the law in force.

General Power

121. Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its Articles, then and in that case this regulation hereby authorizes and empowers the Company to have such right, privilege or authority and to carry such transactions as have been permitted by the Act without there being any specific regulations.

Sl. No	Name, address, description and occupation of each subscriber	Signature of subscriber
1	V. P. Nandakumar S/o. Padmanabhan Padmasaroj, Door No. III/483 Kothakulam Beach Road, Valapad, Trichur Dist. <i>Business</i>	Sd/-
2	K. K. Sarojini Padmanabhan W/o Padmanabhan Door No. III/483 Kothakulam Beach Road Valapad, Trichur Dist	Sd/-
3	V. S. Vyasababu S/o. Sankaranarayanan 38, 2nd Cross Street, Senthil Nagar Madras - 600 116 <i>Chartered Engineer</i>	Sd/-
4	V. K. Subramanian S/o. Konnakutty C-1-1564, 59, Tagore Gardens Kumarapuram, Trivandrum - 11 <i>Retd. Govt. Official</i>	Sd/-
5	Subhajeewanlal S/o. Konnakutty Vazhapully House, Door No. VII/300 P.O. Karayamvattam, Via Valapad, Trichur Dt. <i>Advocate</i>	Sd/-
6	B. N. Raveendra Babu S/o. Narayanan Blangat House, Door No. 424/IV Thalikulam, Trichur <i>Computer Consultant</i>	Sd/-
7	Shelly Ekalavian W/o. Ekalavyan Door No. III/483, Kothakulam Beach Road Valapad, Trichur Dist. <i>Business</i>	Sd/-

Dated this 30th day of June 1992
Witness to the above signatures

P.G. Wales, F.C.A.
S/o. Gopalan
Partner, Vasan and Wales
Chartered Accountants
XXX/229, Trichur - 2