

Incorporated under the Companies Ordinance (Cap 145)

COMPANY LIMITED BY SHARES

Memorandum

and

Articles of Association

of

Ruhunu Hotels and Travels Limited

(Incorporated on the 29th day of March, 1973)

MEMORANDUM OF ASSOCIATION

OF

RUHUNU HOTELS AND TRAVELS LIMITED

Changed
w.e.f
28/11/03

- (1) "THAT the name of the Company be changed from Ruhunu Hotels and Travels Limited to **The Fortress Resorts Limited**"

2. The registered Office of the Company will be situated in the District of Colombo.

3. The objects for which the Company is established are :-

- (1) To carry on the business of hotel, restaurant, cafe, roadhouse, autocourt, motel, holiday camp and apartment-housekeepers and to purchase, acquire, enlarge extend and carry on any existing business or concern in the Republic of Sri Lanka (Ceylon) of the like character.
- (2) To construct, purchase, take on lease or otherwise acquire hotels in the Republic of Sri Lanka (Ceylon) and to provide buildings for the use of any undertaking for operating hotels and to furnish, equip, improve and develop the same.
- (3) To carry on the business of tourist and travel agents and contractors, to provide travelling and other facilities for any person or persons, and to provide or to promote the provision of conveniences of every description in the way of through tickets, circular tickets, sleeping cars and berths, reserved places, hotel and lodging accommodation, guides, safe deposits, inquiry bureaux, baggage, transport and otherwise for any person or persons.
- (4) To fit and furnish any property for the purpose of letting the same to visitors or guests whether in single rooms, suites, chalets, cottages or otherwise.
- (5) To buy, sell, import, produce, manufacture or otherwise deal in food and food products, meat, groceries, fruits, confectionery, wines, spirits, beer and alcoholic beverages, tobacco druggist supplies, beverages, linen, furniture and furnishings and other articles whether required in the said business or otherwise.

- (6) To enter into arrangements and agreements with tourists, travellers, lodgers, guests, passengers, firms, companies or their representatives for providing board and lodging on daily, monthly or periodical terms and to fix rates for the accommodation of lodgers, guests, or passengers.
- (7) To establish, maintain and operate services for the carriage of tourists, travellers, businessmen and others; to undertake and execute any contract involving the supply of use of any food-stuffs, or drinks to any clubs, parties, associations, festive groups or individuals.
- (8) To maintain and establish shops, arcades, and other facilities and to carry on all or any of the business of drapers, silk mercers, furriers, haberdashers, hosiers, importers and wholesale and retail dealers of and in textile fabrics of all kinds, milliners, dressmakers, tailors, hatters, clothiers, outfitters, gloves, lace manufacturers and wholesale and retail dealers of and in leather goods, household furniture, ironmongery, turnery and other household fittings and utensils, ornaments, jewellery, plated goods, stationery and fancy goods dealers in provisions, drugs, chemicals, perfumery, soaps and other articles and commodities of personal and household use and consumption, or as required for adornment, recreation, and amusement and generally of and in all manufactured goods, materials, provisions and produce.
- (9) To carry on the business of proprietors of motor and other vehicles, hairdressers, perfumers, chemists, proprietors of clubs, baths, dressing rooms, laundries, reading, writing and newspaper rooms, libraries, grounds, and places of amusement, recreation, sport and entertainment facilities.
- (10) To act as money changers and authorised dealers in foreign exchange, financiers and negotiators of finance, and to arrange with banks, commercial and lending institutions in the Republic of Sri Lanka (Ceylon) and elsewhere to provide finance for travelling to and from the Republic of Sri Lanka (Ceylon) by tourists, businessmen and other travellers and other persons.
- (11) To appropriate any parts or part of the property of the Company for any of the aforesaid purposes and to build and let shops, offices and other places of business and to use or lease any part of the property of the Company for any purpose for which it may be conveniently used or let.
- (12) To carry on all or any other business of theatre, music hall, concert hall, ballrooms, circus and hippodrome proprietors, cinematographic shows and exhibitions, box-office keepers, show men, exhibitors, songs, music, play, programme and general publishers and printers, scene, proscenium and general painters, and decorators, theatrical and musical agents, caterers for public and private amusements and entertainments of every description and in particular to provide for the exhibition and filming of biograph, cinemacolor and cinematograph pictures and the promotion, provision, production, representation and performance of stage-plays, promenade and other concerts, lectures, public meetings, athletic, sporting, juggling and conjuring displays and every description of musical, dramatic and variety performance, and other public or private entertainment of any kind whatsoever, including public or private balls and roller skating and to permit the Company's premises to be used for such other purposes as may seem expedient.
- (13) To carry on the business of agents of or for any other company, corporation, firm or person carrying on any of the business abovementioned, the business of or as agents for importers and exporters of goods, wares and merchandise of all kinds, the business of representatives or agents of or for manufacturers, insurers and underwriters, and the business of agents and secretaries of any other company or corporation.
- (14) To carry on any other trade or business whatsoever which can, in the opinion of the Directors of the Company, be advantageously carried on by the Company in connection with or as ancillary to any of the above businesses or the general business of the Company or any branch or department thereof.
- (15) To erect, construct, lay down, enlarge, alter and maintain any roads, sidings, bridges, reservoirs, shops, stores, factories, buildings, works, plant and machinery necessary or convenient for the Company's business and to contribute to or subsidise the erection, construction and maintenance of any of the same.
- (16) To borrow or raise and in any manner secure the payment of money for the purposes of or in connection with the Company's business.

- (17) To mortgage and charge the undertaking and all or any of the movable and immovable property and assets, present or future, and all or any of the uncalled capital for the time being of the company and to issue at par or at a premium or discount, and for such consideration and with and subject to such rights, powers, privileges, and conditions as may be thought fit, debentures or debenture stock, either permanent or redeemable or repayable, and to make and issue other forms of security and collaterally or further to secure any securities of the Company by a trust deed or other assurance.
- (18) To guarantee, indemnify or become liable for the payment of money or for the performance of any obligation by any other company, firm or person and to give any kind of security for the payment of such money or the performance of such obligation by such other company, firm or person and generally to transact all kinds of guarantee business and counter-guarantee business, and for the aforesaid purposes to enter into any contract or contract of suretyship either alone or with co-sureties and in any such contract of suretyship to waive all or any of the privileges to which sureties are by law entitled and to secure, if necessary any obligation or obligations undertaken by the Company as guarantor or co-guarantor or otherwise by mortgage, charge, assignment or otherwise of the whole or any part of the undertaking, property, assets or revenue of the Company, present or future including its uncalled capital.
- (19) To issue and deposit any securities which the Company has power to issue by way of mortgage to secure any sum less than the nominal amount of such securities, and also by way of security for the performance of any contracts or obligations of the Company or of its customers or other persons or corporations having dealings with the Company, or in whose businesses or undertakings the Company is interested, whether directly or indirectly.
- (20) To receive money on deposit or loan upon such terms as the Company may approve; to make advances to customers and others, with or without security and upon such terms as the Company may approve.
- (21) To grant pensions, allowances, gratuities, bonuses, and other benefits to officers, ex-officers, employees and ex-employees (including directors and ex-directors) of the Company or its predecessors in business or the dependents or connections of any such persons to establish, contribute to and maintain or concur or join with any other companies, corporations, firms or persons in establishing, contributions to and maintaining trusts, funds or schemes (whether contributory or non-contributory) with a view to providing pensions, provident fund benefits, sickness or compassionate allowances, life assurance or other benefits for any such persons as aforesaid, their dependants or connections, and to support or subscribe to any charitable funds or institutions, the support of which may, in the opinion of the directors be calculated directly or indirectly to benefit the Company or its officers or employees, and to institute and maintain any club or other establishment or profit sharing scheme calculated to advance the interests of the Company or its officers or employees.
- (22) To draw, make, accept, endorse, negotiate, discount, and execute promissory notes, bills of exchange and other negotiable instruments and commercial or trading documents.
- (23) To invest and deal with the moneys of the Company not immediately required by the Company for the purposes of its business in or upon such investments or securities and in such manner as may from time to time be determined.
- (24) To purchase, take on lease or in exchange, hire or otherwise acquire and hold any estate or interest in any lands, buildings, easements, rights, privileges, concessions, patents, patent rights, trade marks, trade names, licences, secret processes, machinery, plant, stock-in-trade and movable or immovable property of any kind whatsoever, necessary or convenient for the purpose of or in connection with the business of the Company or any branch of department thereof, and also to purchase or otherwise acquire or undertake the whole or any part of the business undertaking property rights, assets, liabilities and transactions (including shares, stocks, bonds, debentures, mortgages and other obligations or any of them) of any other company, corporation, firm or person, carrying on in the Republic of Sri Lanka (Ceylon) or elsewhere any business which this Company is authorised to carry on, or possessed of any property or rights suitable for the purposes of this Company, and in any of such cases to pay for the same either in cash or fully or partly paid up shares, with or without preferred or deferred or guaranteed rights in respect of dividend or repayment of capital or otherwise or by any securities which the Company has power to issue, or partly in one mode and partly in another, and generally for such consideration and on such terms as the Company may determine.

- (25) To sell, improve, manage, develop, exchange, mortgage dispose of, turn to account, let lease or demise (whether on rent, royalty or with share of profits or otherwise) and in any other manner to deal with all or any part of the undertaking, property, assets and rights of the Company, and to grant licences, easements and other rights in or over the same, and to sell or dispose of the business undertaking property, rights, assets, liabilities and transactions of the Company (including shares, stocks, bonds, debentures, mortgages and other obligations or any of them) and in any of such cases to accept payment for the same either in cash, by instalments or otherwise, or in full or partly paid-up shares of any other company or corporation, with or without preferred or deferred or guaranteed rights in respect of dividend or payment of capital or otherwise, or in debentures or mortgage debenture or debenture stock, mortgages or other securities of any company or corporation, or partly in one mode and partly in another, or for such other consideration and generally on such terms as the Company may determine, and to hold, dispose of or otherwise deal with any shares, stock or securities, so acquired.
- (26) To enter into any partnership arrangement or arrangement for sharing profits, union of interests, reciprocal concession or, co-operation with any company, firm or person carrying on or proposing to carry on any business within the objects of this Company and to acquire and hold, sell, deal with or dispose of shares, stock or securities of any such company, and to guarantee the contracts or liabilities of, or the payment of the dividends, interest or capital of any shares, stock or securities of and to subsidise or otherwise assist any such company.
- (27) To establish or promote or concur in establishing or promoting any other company whose objects include the acquisition and taking over of all or any part of the business, undertaking, property rights, assets, liabilities and transactions of this Company or the promotion of which shall be in any manner calculated to advance directly or indirectly the objects or interests of this Company, and to acquire and hold or dispose of shares, stock or securities of and guarantee the payment of the dividends, interest or capital of any shares, stock or securities issued by or any other obligation of any such company.
- (28) To amalgamate with any other company whose objects are or include objects similar to those of this Company whether by sale or purchase (for fully or partly paid-up shares or otherwise) of the undertaking, subject to the liabilities of this or any such other company as aforesaid, with or without winding up, or by sale or purchase (for fully or partly paid-up shares or otherwise) of all or a controlling interest in the shares or stock of this or any other company as aforesaid or by partnership, or any arrangement of the nature of partnership, or in any other manner.
- (29) To distribute among the members in specie any property of the Company, or any proceeds of sale or disposal of any property of the Company, but so that no distribution amounting to a reduction of capital be made except with the sanction (if any) for the time being required by law.
- (30) To adopt such means of advancing the interests of the Company as may seem expedient, and in particular by advertising in the press, on the radio, by circulars, by purchase and exhibition of works of art or interest by publication of books and periodicals and by granting prizes, rewards and donations and by propaganda of all kinds.
- (31) To appoint, engage, employ, maintain, provide for and dismiss attorneys, agents, superintendents, managers, engineers, technicians, clerks, labourers and servants in the Republic of Sri Lanka (Ceylon) or elsewhere, and to remunerate at such rate and in such manner as shall be thought fit.
- (32) To promote freedom of contract, and to resist, insure against, counteract, and discourage interference therewith, and to subscribe to any association or fund for any such purposes.
- (33) To aid, pecuniarily or otherwise, any association, body or movement having for an object the solution, settlement or surmounting of industrial or labour problems, troubles or disputes or the promotion of industry or trade.
- (34) To enter into any arrangement with any Government or other authorities supreme, municipal, local or otherwise and to obtain from any such Government or authority all rights, concessions and privileges that may seem conducive to the Company's objects or any of them.

- (35) To do all or any of the matters and things mentioned in the preceding sub-paragraphs in any part of the world, and either as principals, agents, trustees, contractors or otherwise, and either alone or in conjunction with others and either by or through agents, sub-contractors, trustees or otherwise.
- (36) To procure the Company to be registered incorporated or otherwise empowered or represented in any country of place outside the Republic of Sri Lanka (Ceylon).
- (37) To pay all expenses incidental to the formation or promotion of this or any other company and to remunerate any person or company for services rendered or to be rendered in placing or assisting to place or guaranteeing the placing of any of the shares in or debentures or other securities of the Company or in or about the promotion, formation or business of the Company or of any other company promoted wholly or in part by this Company.
- (38) To do all such other things as are incidental or conducive to the above objects or any of them.

It is hereby declared that in the foregoing paragraphs of this clause (unless a contrary intention appears) the word "person" includes any number of persons and a Company, and the word "company" except where used with reference to this company shall be deemed to include a corporation and a partnership or other body of persons whether incorporated or not and whether domiciled or incorporated or registered in the Republic of Sri Lanka (Ceylon) or elsewhere, and that the "objects" specified in each paragraph of this clause shall except where otherwise expressed in any such paragraph be independent main objects and shall in no wise be limited or restricted by reference to or inference from the terms of any other paragraph or the name of the Company. None of such paragraphs or the objects therein specified or the powers thereby conferred shall be deemed merely subsidiary or auxiliary to the objects mentioned in any other paragraph of this clause but the Company shall have power to exercise all or any of the powers conferred by any part of this clause in the Republic of Sri Lanka (Ceylon), or elsewhere and notwithstanding that the business undertaking property or acts proposed to be transacted, acquired, dealt with or performed, do not fall within the objects of any other part of this clause.

4. The liability of the members is limited.

5. Share Capital of the Company

Special Resolution passed at the Extraordinary General Meeting of the Members of Ruhunu Hotels and Travels Ltd held on 4th December, 1997.

Resolution No 02

"THAT the Company's existing Issued Share Capital of Rupees Ten Million Six Hundred and Five Thousand (Rs. 10,605,000/-) divided into One Hundred and Six Thousand and Fifty (106,050) Ordinary shares of Rupees One Hundred (Rs. 100/-) each be amended by the subdivision of each ordinary share of Rupees One Hundred (Rs. 100/-) each into Ten (10) ordinary shares of Rupees Ten (Rs. 10/-) each".

Resolution No 03

"THAT the balance unallotted Authorised Share Capital of Rupees Eighty Nine Million Three Hundred and Ninety Five Thousand (Rs. 89,395,000/-) divided into Eight Hundred and Ninety Three Thousand Nine Hundred and Fifty (893,950) shares of Rupees One Hundred (Rs. 100/-) each be cancelled."

Resolution No 04

"THAT the Authorised Share Capital of the company be increased to Rupees Two Hundred and Fifty Million (Rs. 250,000,000/-) by the creation of Twenty Three Million Nine Hundred and Thirty Nine Thousand and Five Hundred (23,939,500) shares of Rupees Ten (Rs. 10/-) each".

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

Names, Addresses and Descriptions
of the Subscribers

Number of Shares taken

(Sgd.)	W. D. C. Abeygoonawardena Wijesekera Don Cornelis Abeygoonawardena 20, Havelock Place, Galle - Landed Proprietor & Merchant	1	(One)
--------	--	---	-------

(Sgd.)	Mrs. N. S. Abeygoonawardena Mrs. Nancy Suchalatha Abeygoonawardena 23, Kandawula Road, Raunallana - Landed Proprietress	1	(One)
--------	--	---	-------

Total number of Shares taken	<u>2</u>	(Two)
------------------------------	----------	-------

WITNESS to the above Signatures at Galle this 29th day of March 1973

(Sgd.) H. K. L. Jayasekara
Halloluwe Kankanage Leelaratne Jayasekara
"Jayasewana"
Hirimbura,
Galle - Merchant.

Note:- By Ordinary Resolution passed on 14th July 1980 the Share Capital was Increased to
Rs. 10,000,000.00

ARTICLES OF ASSOCIATION
OF
RUHUNU HOTELS AND TRAVELS LIMITED

PRELIMINARY

1. The regulations contained in Table A Part I in the First Schedule of the Companies Act No.17 of 1982 shall not apply to the Company, except insofar as they are repeated or contained in these Articles but subject to repeal, alteration or addition by Special Resolution.
2. In these presents, if not inconsistent with the subject or context, the words standing in the first column of the table next hereinafter contained shall bear the meanings set opposite to them respectively in the second column thereof.

Words	Meanings
The Company	Ruhunu Hotels and Travels Limited
The Statutes	The Companies Act No.17 of 1982 and every other Act or Ordinance for the time being in force concerning companies and affecting the Company;
These presents	These Articles of Association, as originally framed or as from time to time altered by Special Resolution;
Special Resolution or Extraordinary Resolution	Having the meaning assigned thereto respectively by the Statutes
The Board OR Directors	The Directors of the Company for the time being of the Company including (where the context so admits or requires) Alternate Directors;
Office	The Registered Office of the Company;
Seal	The Common Seal of the Company;
Month	Calendar month;
Year	Calendar year;

Year	Calendar year;
In writing	Written or produced by any substitute for writing, or partly one and partly another;
Dividend	Dividend and/or bonus;
Paid up	Paid up or credited as paid up;

The expressions 'debenture' and 'debenture holder' shall include 'debenture-stock' and 'debenture-stockholder' and the expression 'Secretary' shall include any person, firm or Company appointed by the Directors to perform any of the duties of the Secretary. Words importing the singular number only shall include the plural, and vice versa, and words importing the masculine gender shall include the feminine gender, and words importing persons shall include corporations and companies.

Save as aforesaid, any words or expressions defined in the Statutes shall, if not inconsistent with the subject or context, bear the same meaning in these presents.

3. The Company shall not give, whether directly or indirectly, and whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person of or for any shares in the Company or in its holding Company nor shall the Company make a loan for any purpose whatsoever on the security of its shares or those of its holding Company, but nothing in this regulation shall prohibit transactions authorised by the Statutes.

CAPITAL

Special Resolution to amend Article 4 of the Articles of Association of the Company

4. "the Capital of the Company is Rupees One Thousand Five Hundred Million Rs.1,500,000,000/- divided into One Hundred and Fifty Million (150,000,000) shares of Rupees Ten (Rs.10/-) each."
5. Without prejudice to any special rights previously conferred on the holders of any shares or class of shares for the time being issued (which special rights may be varied or abrogated only in the manner provided by the next following Article), any share in the capital of the Company for the time being may be issued with such preferred, deferred or other special rights, or such restrictions, whether in regard to dividend, return of capital, voting or otherwise, as the Company may from time to time by Ordinary Resolution determine, and subject to the provisions of the Statutes the Company may issue preference shares which are, or at the option of the Company are to be liable, to be redeemed on such terms and in such manner as the Company before the issue thereof may by ordinary resolution determine.

VARIATION OF RIGHTS

6. Whenever the capital of the Company is divided into different classes of shares, the special rights attached to any class may subject to the provisions of the Statutes be varied or abrogated, either with the consent in writing of the holders of three-fourths of the issued shares of the class, or with the sanction of an Extraordinary Resolution passed at a separate General Meeting of such holders (but not otherwise), and may be so varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding-up. To every such separate General Meeting all the provisions of these presents relating to General Meetings of the Company, or to the proceedings thereat, shall mutatis mutandis apply, except that the necessary quorum shall be two persons at least holding or representing by proxy one-third in nominal amount of the issued shares of the class (but so that if at any adjourned meeting of such holders a quorum as above defined is not present, those of such holders who are present shall constitute a quorum) and that any holder of shares in the class present in person or by proxy may demand a poll, and that such holders shall on a poll have one vote for every share of the class held by them respectively.
7. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

INCREASE AND REDUCTION OF CAPITAL

8. The Company may from time to time with the sanction of an Ordinary Resolution of the Company in General Meeting increase its capital by the creation of new shares, such increase to be of such amount, and to be divided into shares of such respective amounts, and to be issued on such terms and conditions, and with or without a right of preference, whether in respect of dividend or of repayment of capital, or both, or with such deferred rights to the original or other shares of the Company, as the Company may by the resolutions sanctioning the increase determine.

9. All new shares shall be subject to the provisions of these presents with reference to payment of calls, lien, transfer, transmission, forfeiture and otherwise.

10. The Company may by Ordinary Resolution:-

- (i) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares.
- (ii) 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 and diminish the amount of its capital by the amount of the shares so cancelled.
- (iii) Sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum of Association (subject, nevertheless, to the provisions of the Statutes), and so that the resolution whereby any share is sub-divided may determine that, as between the holders of shares resulting from such sub-division, one or more of the shares may have any such preferred or other special rights over, or may have such deferred rights, or be subject to any such restrictions as compared with the others as the Company has power to attach to unissued or new shares.

And may by Special Resolution:-

- (iv) Reduce its capital or any capital redemption reserve fund, or any share premium account, in any manner authorised by the Statutes.

11. Nothing in these presents contained shall preclude the Directors from recognising and acting on a renunciation of the allotment of any share by the allottee thereof in favour of any other person.

12. The shares in the capital of the Company, for the time being, shall be at the disposal of the Directors and they may allot, grant options over or otherwise deal with or dispose of them to such persons and generally on such terms and conditions (subject however to the provisions of article 5 hereof) as they think proper.

- (i) Notwithstanding anything in these presents the Directors may at their discretion allot any shares (unless otherwise provided in any Resolution of the Company relating thereto) or any of them to the Vendor of any business, property or land being acquired by the Company in payment in whole or part of the purchase price for such business, property or land without offering the shares so allotted to members.

13. The Company may at any time pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares in the Company or procuring or agreeing to procure subscriptions (whether absolute or conditional) for any shares in the Company, but so that if the commission shall be paid or payable out of capital, the statutory conditions and requirements shall be observed and complied with, and the commission shall not exceed 10 percent on the shares in each case subscribed or to be subscribed. Such commission may be satisfied in whole or in part by the allotment (if so agreed) of fully or partly paid shares. The Company may also on any issue of shares pay such brokerage as may be lawful.

14. Except as required by law, no person shall be recognized by the Company as holding any share upon any trust, and the Company shall not be bound or compelled in any way to recognize any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these presents or by law otherwise provided) any other right in respect of any share, except an absolute right to the entirety thereof in the registered holder.

CERTIFICATES

15. Every person whose name is entered as a Member in the Register of Members shall be entitled without payment to receive within fourteen market days after allotment or lodgement of a valid set of transfer forms (or within such other period as the terms of issue shall provide) one certificate for all his shares of any one class or upon payment of such sum, not exceeding Rupees Ten (Rs.10/-) for every certificate after the first as the Directors shall from time to time determine, several certificates, each for one or more of his shares of any one class. Where a Member transfers part only of the shares comprised in a certificate the old certificate shall be cancelled and a new certificate for the balance of such shares issued in lieu without charge. Every certificate shall be issued under the seal and bear the signatures at least of one Director and the Secretary, or such other person as may be authorised by the Directors, and shall specify the shares to which it relates, and the amount paid up thereon. Provided that the Company shall not be bound to register more than three persons as the joint-holders of any shares (except in the case of executors or trustees of a deceased member) and in the case of a share held jointly by several persons, the Company shall not be bound to issue more than one certificate therefor and delivery of a certificate to one of such persons or his duly authorised representative shall be sufficient delivery to all.

16. If a share certificate be defaced, lost or destroyed, it may be renewed on payment of such fee (if any), not exceeding Rupees Ten (Rs.10/-) and on such terms (if any) as to evidence and indemnity and the payment of out-of-pocket expenses of the Company in investigating evidence as the Directors think fit.

CALLS ON SHARES

17. The Directors may from time to time make calls upon such 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 terms of issue thereof made payable at fixed times, provided that no call on any shares shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call, and each Member shall (subject to at least fourteen days' notice being given 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. A call may be revoked or postponed as the Directors may determine.
18. A call shall be deemed to have been made at the time when the resolution of the Directors authorising the call was passed, and may be made payable by instalments.
19. The joint-holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
20. 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 on that sum from the day appointed for payment thereof to the time of actual payment at such rate not exceeding nine (9%) per centum per annum as the Board determine but the Board shall be at liberty to waive payment of such interest wholly or in part.
21. Any sum (whether on account of the nominal value of the share or by way of premium) which by the terms of issue of a share becomes payable upon allotment, or at any fixed date, shall for all the purposes of these presents be deemed to be a call duly made and payable, on the date on which, by the terms of issue, the same becomes payable, and in case of non-payment all the relevant provisions of these presents 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.
22. The Directors may, on the issue of shares, differentiate between the holders as to the amount of calls to be paid, and the times of payment.
23. The Directors may, if they think fit, receive from any Member willing to advance the same all or any part of the moneys (whether on account of the nominal value of the shares or by way of premium) uncalled or unpaid upon the shares held by him, and such payment in advance of calls shall extinguish, so far as the same shall extend, the liability upon the shares in respect of which it is made, and upon the money so received or so much thereof as from time to time exceeds the amount of the calls then made upon the shares concerned, the Company may pay interest at such rate (not exceeding six (6%) per cent per annum) as the Member paying such sum and the Directors agree upon.

FORFEITURE AND LIEN

24. If a Member fails to pay in full any call or instalment of a call on the day appointed for payment thereof, the Directors may at any time thereafter serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest and expenses which may have incurred.
25. The notice shall name a further day (not being less than twenty-eight days from the date of the notice) on or before which and the place where the payment required by the notice is to be made and shall state that in the event of non-payment in accordance therewith the shares on which the call was made will be liable to be forfeited.
26. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which such notice has been given may at any time thereafter, before payment of all calls and interest and expenses due in respect thereof has been made, be forfeited, by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited share and not actually paid before forfeiture. The Directors may accept a surrender of any share liable to be forfeited hereunder.
27. A share so forfeited or surrendered shall become the property of the Company and may be sold, re-allotted or otherwise disposed of, either to the person who was before such forfeiture or surrender the holder thereof entitled thereto, or to any other person, upon such terms, and in such manner as the Directors shall think fit, and at any time before a sale, re-allotment or disposal the forfeiture or surrender may be cancelled on such terms as the Directors think fit. The Directors may, if necessary, authorise some person to transfer a forfeited or surrendered share to any such other person as aforesaid.

28. A member whose shares have been forfeited or surrendered shall cease to be a member in respect of the shares, but shall notwithstanding the forfeiture or surrender remain liable to pay to the Company all moneys which at the date of forfeiture or surrender were payable by him to the Company in respect of the shares with interest thereon at the rate of nine (9%) per centum per annum (or such lower or higher rate as the Board may approve) from the date of forfeiture or surrender until payment, but the Directors may waive payment of such interest either wholly or in part.
29. The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys, whether presently payable or not, called or payable at a fixed time in respect of such share; and the Company shall also have a first and paramount lien and charge on all shares (other than fully paid shares) standing registered in the name of a single Member for all the debts and liabilities of such Member or his estate to the Company and that whether the same shall have been incurred before or after notice to the Company of any equitable or other interest in any person other than such Member, and whether the period for the payment or discharge of the same shall have actually arrived or not, and notwithstanding that the same are joint debts or liabilities of such Member or his estate and any other person, whether a Member of the Company or not. The Company's lien (if any) on a share shall extend to all dividends payable thereon. The Board may resolve that any share shall for some specified period be exempt from the provisions of this Article.
30. The Company may sell in such manner as the Directors think fit any share on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable, nor until the expiration of fourteen days after a notice in writing, stating and demanding payment of the sum presently payable, and giving notice of intention to sell in default, shall have been given to the holder for the time being of the share or the person entitled thereto by reason of his death or bankruptcy.
31. The net proceeds of such sale after payment of the costs of such sale shall be applied in or towards payment or satisfaction of the debt or liability in respect whereof the lien exists, so far as the same is presently payable, and any residue shall (subject to a like lien for debts or liabilities not presently payable as existed upon the shares prior to the sale) be paid to the person entitled to the shares at the time of the sale. For giving effect to any such sale the Directors may authorise some person to transfer the shares sold to the purchaser.
32. A declaration in writing under oath or affirmation that the declarant is a Director of the Company and that a share has been duly forfeited or surrendered or sold to satisfy a lien of the Company on 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, and such declaration and the receipt of the Company for the consideration (if any) given for the share on the sale, re-allotment or disposal thereof, together with the certificate of proprietorship of the share under seal delivered to a purchaser or allottee thereof shall (subject to the execution of a transfer if the same be required) constitute a good title to the share, and the person to whom the share is sold, re-allotted or disposed of shall be registered as the holder of the share and shall not be bound to see to the application of the purchase money (if any) nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, surrender, sale, re-allotment or disposal of the share.
33. The provisions of these presents as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

TRANSFER OF SHARES

34. (a) Subject to the restrictions in these presents as may be applicable all transfers of shares may be effected by instrument in writing in any usual or common form or any other form in writing as the Directors shall prescribe or accept, and may be under hand only.
- (b) Notwithstanding anything to the contrary in these Articles, as long as the shares of the Company are quoted in a licensed Stock Exchange the Board may register without assuming any liability therefore any transfer of shares which is in accordance with the rules and regulations in force for the time being and from time to time as laid down by such Licensed Stock Exchange and any Agency whose primary object is to act as Central Depository for such Exchange.
35. The instrument of transfer of a share shall be signed by or on behalf of the transferor and transferee, and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register of Members in respect thereof.

36. The Directors may, in their absolute discretion and without any reason therefor, decline to register any transfer of shares (not being fully paid shares) to a person of whom they shall not approve and they may also decline to register any transfer of shares (not being fully paid shares) on which the Company has a lien.
37. (a) The Directors may decline to recognize any instrument of transfer, unless:-
- (i) The instrument of transfer properly stamped is deposited at the Office or such other place as the Directors may appoint accompanied by the certificate of the shares to which it relates, and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer (and if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do); and
 - (ii) The instrument of transfer is in respect of only one class of share. All instruments of transfer which shall be registered shall be retained by the Company.
- (b) If the Directors acting in terms of Articles 36 and 37(a) decline to recognise a transfer they shall communicate such refusal to the transferee within Five (05) market days, after the date on which the transfer was lodged with the Company.

REGISTRATION OF TRANSFERS

38. The Directors may by such means as they shall deem expedient authorise the registration of transfers or transmissions of shares without the necessity of any meeting of the Directors for that purpose.
39. Upon such notice as may be required by the statute the registration of transfers may be suspended and the Register of Members closed at such time and for such period as the Directors may from time to time determine, provided always that such registration shall not be suspended or the Register of Members closed for more than thirty days in any year.
40. There shall be paid to the Company in respect of the registration of any probate, letters of administration, certificate of marriage or death, power of attorney or other document relating to or affecting the title to any shares or for making any entry in the Register of Members affecting the title to any share, such fee, not exceeding Rupees Ten (Rs.10/-) as the Directors may from time to time require or prescribe.

TRANSMISSION OF SHARES

41. In the case of the death of a Member the survivors or survivor where the deceased was a joint-holder, and the executors or administrators of the deceased where he was a sole or only surviving holder, shall be the only persons recognised by the Company as having any title to his shares, but nothing herein contained shall release the estate of a deceased holder (whether sole or joint) from any liability in respect of any share solely or jointly held by him.
42. Any person becoming entitled to shares in consequence of the death or bankruptcy of any member, upon producing proper evidence of the grant of probate or letters of administration or such other evidence that he sustains the character in respect of which he proposes to act under this Article, or of his title, as the Directors think sufficient, may, with the consent of the Directors be registered as a member in respect of such shares, or may, subject to the regulations as to transfers hereinbefore contained, transfer such shares. The Directors shall have the same right to refuse to register a person entitled to any shares by transmission in terms of this Article or his nominee, as if he were the transferee named in an ordinary transfer presented for registration.
43. A person becoming entitled to a share in consequence of the death or bankruptcy of a Member may give a discharge for all dividends and other moneys payable in respect of the shares, but he shall not be entitled in respect thereof to exercise any right conferred by membership in relation to meetings of the Company or, save as otherwise provided by or in accordance with these presents, to any of the rights or privileges of a Member until he shall have become a member in respect of the share.

GENERAL MEETINGS

44. The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meetings in that year and not more than fifteen months shall elapse between the date of one Annual General Meeting of the Company and that of the next. The Annual General Meeting shall be held at such time and place as the Directors shall appoint. All General Meetings other than Annual General Meetings shall be called Extraordinary General Meetings.
45. The Directors may whenever they think fit, convene an Extraordinary General Meeting.

NOTICE OF GENERAL MEETINGS

46. Any general meeting at which it is proposed to pass a Special Resolution or (save as provided by the Statutes) a resolution of which special notice has been given to the Company, shall be called by twenty-one days' notice in writing at the least, and any other General Meeting by fourteen days' notice in writing at the least (exclusive in either case of the day on which it is served or deemed to be served and of the day for which it is given) given in manner mentioned in these presents to such Members as are under the provisions of these presents entitled to receive such notices from the Company and to the Auditors; Provided that a General Meeting notwithstanding that it has been called by a shorter notice than that specified above shall be deemed to have been duly called if it is so agreed:-
- (i) In the case of an Annual General Meeting by all the Members entitled to attend and vote thereat; and
 - (ii) In the case of any other Meeting by the Members having a right to attend and vote at the Meetings being members together holding not less than ninety five per centum (95%) in nominal value of the shares giving a right to attend and vote at the meeting.
47. The accidental omission to give notice to, or the non-receipt of notice by any person entitled thereto shall not invalidate the proceedings at any General Meeting.
48. (a) Every notice calling a General Meeting shall specify the place and the day and hour of the meeting, and there shall appear with reasonable prominence in every such notice a statement that a Member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of him and that a proxy need not be a member of the company.
- (b) In the case of an Annual General Meeting, the notice shall also specify the meeting as such.
- (c) In the case of any General Meeting at which business other than routine business is to be transacted, the notice shall specify the general nature of the business; and if any resolution is to be proposed as an Extraordinary Resolution or as a Special Resolution, the notice shall contain a statement to that effect.
49. Routine business shall mean and include only business transacted at an Annual General Meeting of the following classes, that is to say:-
- (i) Declaring dividends;
 - (ii) Considering the Balance Sheet, the Report of the Directors and Auditors and other accounts and documents required to be annexed to the Balance Sheet;
 - (iii) Appointing Auditors and fixing the remuneration of the Auditors or determining the manner in which such remuneration is to be fixed;
 - (iv) Electing Directors in the place of those retiring by rotation or otherwise.
50. The Directors shall on the requisition of the holders of not less than one-tenth of the issued capital of the Company upon which all calls or other sums then due have been paid, forthwith proceed to convene an Extraordinary General Meeting of the Company, in accordance with the requirements of the Statutes.

PROCEEDINGS AT GENERAL MEETINGS

51. No business shall be transacted at any General Meeting unless a quorum is present when the meeting proceeds to business. Three Members present in person or by proxy or attorney or in the case of a Corporation by a representative duly authorised as provided by Article 71 shall be a quorum for all purposes.
52. If within fifteen minutes from the time appointed for the meeting, a quorum is not present, the meeting if convened on the requisition of Members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week, at the same time and place, or to such other day and at such other time and place as the Directors may determine, and if at such adjourned meeting a quorum is not present within fifteen minutes from the time appointed for holding the meeting, the Members present (if more than one) shall be a quorum.

53. The Chairman or in his absence the Deputy Chairman of the Directors shall preside as chairman at every General Meeting. If there be no such Chairman or Deputy Chairman, or if any meeting he be not present within five minutes after the time appointed for holding the meeting or be unwilling to act, the Directors present shall choose one of their number to be Chairman of the meeting, or if no Director be present or if all the Directors present decline to take the chair, the Members present shall elect one of their number present to be Chairman of the meeting.
54. The Chairman of the meeting 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, but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
55. Any resolution at any General Meeting shall be decided on a show of hands and such show of hands each member present shall be entitled to one vote for each share held by him unless a poll is (before or on the declaration of the result of the show of hands) demanded by:-
- (i) The Chairman of the meeting; or
 - (ii) Not less than three persons present in person or by Attorney or representative or by proxy and entitled to vote; or
 - (iii) A Member or Members present in person or by Attorney or representative or by proxy and representing not less than one-tenth of the total voting rights of all the Members having the right to vote at the meeting; or
 - (iv) A Member or Members present in person or by Attorney or representative or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

A demand for a poll may be withdrawn. Unless a poll be demanded (and the demand be not withdrawn) a declaration by the chairman of the meeting that a resolution has been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the minute book, shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded for or against such resolution.

56. If a poll is duly demanded (and the demand be not withdrawn), it shall be taken in such manner (including the use of ballot or voting papers or tickets) as the Chairman of the meeting may direct, and the result of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The Chairman may (and if so requested shall) appoint scrutineers and may adjourn the meeting to some place and time fixed by him for the purpose of taking and declaring the result of the poll.
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 taken shall be entitled to a second or casting vote.
58. A poll demanded on the election of a chairman of the meeting or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either immediately or at such subsequent time (not being more than thirty days from the date of the meeting) and place as the chairman may direct. No notice need be given of a poll not taken immediately.
59. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.

VOTES OF MEMBERS

60. Subject to any rights or restrictions for the time being attached to any class or classes of shares, on a show of hands every member who (being an individual) is present in person or by proxy or attorney who is not a member or (being a corporation) is present by a representative or proxy or attorney who is not a member shall have one vote. Subject as aforesaid upon a poll every member who is present in person or by proxy or by attorney or by representative shall be entitled to one vote for each share held by him.
61. In the case of joint-holders of a share the vote of the senior who tenders a vote, whether in person or by proxy or representative shall be accepted to the exclusion of the votes of the other joint-holders, and for this purpose seniority shall be determined by the order in which the names stand in the Register of Members in respect of the joint holding.

62. 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, curator bonis or other person in the nature of a committee or curator bonis appointed by such court, provided that such evidence as the Directors may require of the authority of the person claiming to vote shall have been deposited at the Office not less than forty-eight hours before the time appointed for holding the meeting or adjourned meeting at which such person claims to vote, or in the case of a poll not less than forty-eight hours before the time appointed for the taking of the poll.
63. No Member shall be entitled to vote at a General Meeting either personally or by proxy or by attorney or by representative, or to exercise any privilege as a Member unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.
64. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meetings shall be valid for all purposes. Any such objection made in due time shall be referred to the chairman of the meeting, whose decision shall be final and conclusive.
65. On a poll votes may be given either personally or by proxy or by Attorney or by representative and a person entitled to more than one vote need not use all these votes or cast all the votes he uses in the same way.
66. The instrument appointing a proxy shall be in writing and :-
 - (i) In the case of an individual shall be signed by the appointor or by his attorney ; and
 - (ii) In the case of a corporation shall be either under its Common Seal or signed by its attorney or by an officer on behalf of the corporation.

The Company may, but shall not be bound to, require evidence of the authority of any such attorney or officer. A proxy need not be a member of the Company.
67. The instrument appointing a proxy shall be lodged and the power of attorney (if any) under which it is signed, or a notarially certified copy thereof shall if required be deposited for inspection at the Office, in each case not less than forty-eight hours before the time appointed for holding the meeting or adjourned meeting, or in the case of a poll before the time appointed for the taking of the poll at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid.
68. An instrument appointing a proxy shall be in the following form or in form as near thereto as circumstances admit:-

RUHUNU HOTELS AND TRAVELS LIMITED

I/We, of, being a Member/Members of the above-named Company, hereby appoint of or failing him, of as my/our proxy to vote for me/us on my/our behalf at the Annual/Extraordinary, (as the case may be) General Meeting of the Company to be held on the day of 19.... and at any adjournment thereof.

Signed this day of 19.....

69. (i) Any form of proxy issued by the Company may in the case of a meeting at which special business is to be transacted be so worded that a Member may direct his proxy to vote either for or against any of the resolutions to be proposed.
- (ii) The proxy shall be deemed to include the right to demand, or join in demanding a poll.
- (iii) An instrument appointing a proxy, whether in the usual common form or not shall, unless the contrary is stated therein, be valid as well for any adjournment of the meeting as for the meeting to which it relates and need not be witnessed.
70. 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 revocation of the proxy, or of the authority under which the proxy was executed, or the transfer of the share 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 as the Office before the commencement of the meeting or adjourned meeting (or in the case of a poll before the time appointed for the taking of the poll) at which the proxy is used.

CORPORATIONS ACTING BY REPRESENTATIVES

71. Any Corporation which is a Member of the Company may by resolution of its Directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of Members of the Company, and the person so authorised shall be entitled to exercise the same powers on behalf of such corporation as the corporation could exercise if it were an individual Member of the Company.

DIRECTORS

72. The names of the first directors shall be determined by the subscribers to the Memorandum of Association.
73. The directors shall not be less than two (02) nor more than twelve (12) in number.
74. The qualification of a director may (without prejudice to Article 80) be fixed by the Company in general meeting and, unless and until so fixed, the qualification shall be Five Hundred (500) fully paid up shares of Rs.10/- each in the company.
75. The remuneration of the Directors (excluding any remuneration payable under any other provision of these presents) shall be such sum as the Board shall determine, and such remuneration shall be divided amongst the Directors in such manner as they shall from time to time determine and shall accrue *de die in diem*. The Company may by Ordinary Resolution also vote extra remuneration to the Directors or to any Director and either for one year or any longer or shorter period.
76. The Company may repay to any Director all such reasonable expenses as he may incur in attending and returning from meetings of the Board or of committees of the Directors, or General Meetings, or which he may otherwise incur in or about the business of the Company, or may pay to any Director such allowances as the Board may think proper in respect of such expenses.
77. Any Director who serves on any committee or who otherwise performs services which in the opinion of the Board are outside the scope of the ordinary duties of a Director, may in addition to the reimbursement of expenses reasonably incurred by him be paid such extra remuneration by way of salary, percentage of profits or otherwise as the Board may determine.
78. A Director may hold any other office or place of profit under the Company (other than the office of Auditor) and he or any firm of which he is a member or corporation of which he is a member or Director may act in any capacity for the Company (other than as Auditor) in conjunction with his office of Director, for such period and on such terms (as to remuneration and otherwise) as the Board may determine. No Director or intending Director shall be disqualified by his office from contracting with the Company either with regard thereto or as vendor, purchaser or otherwise, nor shall any such contract, or any contract or arrangement entered into by or on behalf of the Company in which any Director is in any way interested, be liable to 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 of such Director holding that office, or of the fiduciary relation thereby established.
79. A Director may be or become a Director or other Officer of, or otherwise interested in, any company promoted by the Company, or in which the Company may be interested as shareholder or otherwise, and no such Director shall be accountable for any remuneration or other benefits received by him as a Director or Officer of, or from his interest in, such other company. The Board may utilise the voting power of any shares or securities in any such company as aforesaid for the purpose of fixing the remuneration of the directors for such company or any of them.

EXECUTIVE DIRECTORS

80. (i) The Directors may from time to time appoint one or more of their body to be the holder of any executive office, including the office of Managing or Joint Managing Director on such terms and for such period as they may determine. The Director appointed to the office of Managing or Joint Managing Director shall not whilst holding that office require any qualification or be subject to retirement by rotation or be taken into account in determining the rotation of retirement of Directors.
- (ii) The appointment of any director to the office of Managing or joint Managing Director or any other executive office shall be subject to termination (unless the Board shall otherwise decide) if he ceases from any cause to be a director but without to any claim he may have for damages for breach of any contract of service between him and the company.

81. The Board may entrust to confer upon an Executive Director any of the powers exercisable by them upon such terms and conditions and with such restrictions as they think fit, and either collaterally with or to the exclusion of their own powers and may from time to time revoke, withdraw, alter or vary all or any of such powers. Subject thereto and to any direction that may be given by the Company in general meeting the Managing Director shall manage the business of the Company and shall be at liberty upon his own responsibility to do on behalf of the Company any act which the Directors may do, except make calls, forfeit shares, borrow money to fill a casual vacancy on the Board.
82. An Executive Director shall receive such remuneration (whether by way of salary, commission or participation in profits, or partly in one way and partly in another) as the Board may determine.

APPOINTMENT AND RETIREMENT OF DIRECTORS

83. The office of a Director shall be vacated in any of the following events, namely:-
- (i) If he becomes prohibited by law from acting as a Director;
 - (ii) If he resigns by writing under his hand left at the Office;
 - (iii) If a receiving order is made against him or if he compounds with his creditors or is adjudicated an insolvent;
 - (iv) If he be lunatic or becomes of unsound mind;
 - (v) If he be absent from three consecutive meetings of the Board without leave the Board will resolve that his office be vacated;
 - (vi) If he does not obtain his qualification within two months after his appointment, or at any time thereafter ceases to hold his qualification and so that a director vacating the office under these provisions shall be incapable of being re-appointed a director until he shall have obtained his qualification;
 - (vii) If he be requested in writing by a majority of his co-Directors to resign;
 - (viii) If he be removed from office by a resolution of the company under the provisions of these presents;
84. At each Annual General Meeting one-third of the Directors for the time being, or, if their number is not a multiple of three, the number nearest to (but not greater than) one-third shall retire from office. A Director retiring at a meeting shall retain office until the close of the meeting including any adjournment thereof.
85. The Directors to retire at each annual general meeting shall be those who, have been longest in office since their last election or appointment, but as between persons who became or were last re-elected Directors on the same day the Directors to retire shall (unless they otherwise agree among themselves) be determined by lot. A retiring Director shall be eligible for re-election.
86. The Company at the meeting at which a Director retires in manner aforesaid shall fill the vacated office by electing a person thereto, and in default the retiring Director shall be deemed to have been re-elected, unless:-
- (i) at such meeting it is expressly resolved not to fill such vacated office or a resolution for the re-election of such Director is put to the meeting and lost; or
 - (ii) such Director has given notice in writing to the Company that he is unwilling to be re-elected or he is over the age of seventy; or
 - (iii) the default is due to the contravention of the next following Article.
87. Except as otherwise provided by the Statutes, a motion for the appointment of two or more persons as Directors by a single resolution shall not be made at any General Meeting unless a resolution that it shall be so made has first been agreed to by the meeting without any vote been given against it; and any resolution moved in contravention of this provision shall be void.
88. No person other than a Director retiring at the meeting shall, unless recommended by the Directors for election, be eligible for appointment as a Director at any General Meeting unless not less than fourteen nor more than twenty-eight days before the day appointed for the meeting there shall have been left at the Office a special notice in writing addressed to the company (signed by some other person being a Member duly qualified to attend and vote at the meeting for which such notice is given) of his intention to propose such person for election, and also notice in writing signed by the persons to be proposed of his willingness to be elected.

89. The Company may by an Ordinary Resolution of which special notice has been given in accordance with Section 138 of the statutes remove any Director before the expiration of his period of office, notwithstanding any provision of these presents or of any agreement between the Company and such Director, but without prejudice to any claim he may have for damages for breach of any such agreement.
90. The Company may by Ordinary Resolution of which special notice has been given in accordance with Section 138 of the statutes appoint another person in place of a Director removed from office under the last preceding Article, and any person so appointed hereunder shall be subject to retirement by rotation at the same time as if he had become a Director on the day on which the Director in whose place he is appointed was last elected a Director. In default of such appointment the vacancy so arising may be filled by the Directors as a casual vacancy.
91. The Board shall have power at any time and from time to time to appoint any person to be a Director either to fill a casual vacancy or as an additional Director but so that the total number of Directors shall not at any time exceed the maximum number fixed by these presents. Any Director so appointed shall hold office only until the next Annual General Meeting and shall be eligible for re-election but shall not be taken into account in determining the number of directors who are to retire by rotation at such meeting.

PROCEEDINGS OF DIRECTORS

92. The Board may meet together for the dispatch of business, adjourn and otherwise regulate their meetings as they think fit. Questions arising at any meeting shall be determined by a majority of votes. In case of an equality of votes the Chairman shall have a second or casting vote. A Director may, and the Secretary on the requisition of a Director shall, at any time summon a meeting of the Directors. Notice of a meeting of the Directors shall be given to all Directors and such notice shall be accompanied by an agenda of the meeting (unless such agenda be incorporated in the Notice itself) and all documents or copies thereof as may be relevant to the meeting. It shall not be necessary to give notice of a meeting of the Directors to any Director for the time being absent from Sri Lanka.
93. The quorum necessary for the transaction of the business of the Board may be fixed by the Board, and unless so fixed at any other number shall be three (03). A meeting of the Directors for the time being at which a quorum is present shall be competent to exercise all powers and discretions for the time being exercisable by the Board.
94. A Director who is in any way, whether directly or indirectly, interested in a contract or proposed contract with the Company shall declare the nature of his interest in accordance with the provisions of the Statutes.
95. (a) Save as by the next following Article otherwise provided, a Director shall not vote in respect of any contract or arrangement in which he is interested (and if he shall do so his vote shall not be counted) nor for the purpose of any resolution regarding the same shall he be counted in the quorum present at the meeting but this Article shall not apply to:-
 - (i) Any arrangement for giving to him any security or indemnity in respect of money lent by him or obligations undertaken by him for the benefit of the Company; or
 - (ii) Any arrangement for the giving by the Company of any security to a third party in respect of the debt or obligation of the Company for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the deposit of a security; or
 - (iii) Any contract by him to subscribe for or underwrite shares or debentures of the Company; or
 - (iv) Any contract or arrangement with any other company or firm in which he is interested only as a director or partner or other officer or creditor of or as shareholder in or beneficially interested in the shares of that company.
- (b) The provisions of this Article may at any time be suspended or relaxed to any extent and either generally or in respect of any particular contract arrangement or transaction, and any particular contract, arrangement or transaction, carried out in contravention of this Article may be ratified by Ordinary Resolution of the Company.

96. A Director notwithstanding his interest may be counted in the quorum present at any meeting whereat he or any other Director is appointed to hold any office or place of profit under the Company or whereat the Directors resolve to exercise any of the rights of the Company (whether by the exercise of voting rights or otherwise) to appoint or concur in the appointment of a Director to hold any office or place of profit under any other company or where at the Directors resolve to enter into or make any arrangements with him or on his behalf pursuant to these presents, or whereat the terms of any such appointment or arrangement as hereinbefore mentioned are considered, and he may vote on any such matter other than in respect of the appointment of or arrangements with himself or the fixing of the terms thereof.
97. Any Director may act by himself or his firm in a professional capacity for the Company and he or his firm shall be entitled to remuneration for professional services as if he were not a Director; provided that nothing herein contained shall authorise a Director or his firm to act as auditor of the Company.
98. The continuing Directors may act notwithstanding any vacancies but if and so long as the number of Directors is reduced below the minimum number fixed by these presents the continuing Directors or Director may act for the purpose of filling up such vacancies or of summoning General Meeting of the Company but not for any other purpose. If there be no Directors or Director able or willing to act then any three members may summon a General Meeting for the purpose of appointing Directors.
99. The Board may appoint and remove a Chairman and Deputy Chairman of the Board at their meetings and may determine the period for which they are to hold office. The Chairman or in his absence the Deputy Chairman so appointed shall preside as Chairman at meetings of the Board. If no Chairman or Deputy Chairman shall have been appointed, or if at any meeting the Chairman or Deputy Chairman be not present within five minutes after the time appointed for holding the same the Directors present may choose one of their number to be Chairman of the meeting.
100. A resolution in writing signed by all the Directors shall be as effective as a resolution passed at a meeting of the Board duly convened and held, and may consist of several documents in the like form, each signed by one or more of the Directors.
101. The Board may delegate any of their powers to committees consisting of such member or members of their body as they think fit. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on them by the Board.
102. The meetings and proceedings of any such committee consisting of two or more members shall be governed by the provisions of these presents regulating the meeting and proceedings of the Board, so far as the same are applicable and are not superseded by any regulations made by the Board under the last preceding Article.
103. All acts done by any meeting of Board, or of a committee of Directors, or by any person acting as a Director, shall as regards all persons dealing in good faith with the Company, notwithstanding that there was some defect in the appointment of any such Director, or person acting as aforesaid, or that they or any of them were disqualified or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director and had been entitled to vote.

ALTERNATE DIRECTORS

- 104 (i) Any Director, who is abroad or about to go abroad or who by reason of his illness may at any time with the approval of the Board by notice in writing left at the office appoint any person approved by the Directors to be an alternate Director of the Company to act in his place during his absence and the following provisions of this article shall apply to any person so appointed.
- (ii) A person appointed to be an Alternate Director shall not in respect of such appointment be entitled to receive any remuneration from the Company nor be required to hold any share qualification but the Board may repay an Alternate Director such reasonable expenses as he may incur in attending and returning from meetings of the Board which he is entitled to attend or as he may otherwise properly incur in or about the business of the Company or may pay such allowances as they may think proper in respect of these expenses.
- (iii) An Alternate Director shall (on his giving an address for such notice to be served upon him) be entitled to receive notices of all meetings of the Board and to attend and vote as Director at any such meeting at which the Director appointing him is not personally present and generally to perform all the functions of his appointor as a Director in the absence of such appointor (including the signing of resolutions in writing to be passed by circulation under Article 100 hereof). An Alternate Director who is also a Director in his own right shall be entitled to one vote in his own right as a Director and to an additional vote as an Alternate Director.

- (iv) An Alternate Director may be appointed for a specified period or until the happening of a specified event, but he shall ipso facto cease to be an alternate Director in any of the following events, that is to say:-
- (a) upon the return to Sri Lanka of his appointor;
 - (b) if his appointor ceases for any reason to be a Director; Provided that if any director retires by rotation but is re-elected at the meeting at which such retirement took effect, any appointment made by him pursuant to this article which was in force immediately prior to his retirement shall continue to operate after his re-election as if he had not so retired;
 - (c) if the Alternate Director shall have a receiving order made against him or compounds with his creditors or is adjudicated an insolvent;
 - (d) if the Alternate Director be lunatic or become of unsound mind;
 - (e) if the appointment of the Alternate Director is revoked by his appointor by a notice in writing left at the office;
 - (f) if the Board resolve that the appointment of the alternate Director be terminated provided that such termination shall not take effect until the expiration of thirty (30) days after the date of the resolution of the Board.
- (v) A Director shall not vote on the question of the approval of Alternate Director to act for him or on the question of the termination of the appointment of such an alternate Director under sub-paragraph (f) of the last foregoing sub-clause of this article, and if he does so his vote shall not be counted; nor for the purpose of any resolution for either of these purposes shall he be counted in the quorum present at the meeting.

BORROWING POWERS

105. The Directors may at their discretion exercise all the powers of the Company to borrow money and may mortgage or charge its undertaking, property and uncalled capital, and issue debentures, debenture-stock, convertible loan stock and other securities whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party; Provided that the aggregate amount at any one time outstanding of moneys borrowed by the Company exclusive of:-

- (i) any temporary borrowing secured or unsecured from bankers or others in the ordinary course of business to meet temporary requirements; and
- (ii) moneys borrowed with or without security for the purpose of conversion, redemption, renewal or payment off of previously existing debentures, debenture-stock or other loan capital;

shall not without the previous sanction of an ordinary resolution of the Company exceed "twenty" times the total of:-

- (a) the nominal amount of the issued share capital of the Company for the time being; and
- (b) the amount for the time being standing to the credit of the Share Premium Account in the books of the Company;

but nevertheless no person dealing with the Company shall be concerned to see or inquire whether these limits are observed, and no debt incurred or security given in excess of such limit shall be invalid or ineffectual unless the lender or the recipient of the security had, at the time when the debt was incurred or security given, express notice that the limit hereby imposed had been or would thereby be exceeded.

106. (i) Any bonds, debentures, debenture-stock, convertible loan stock or other securities, issued or to be issued by the Company shall be under the control of the Directors, who may issue them upon such terms and conditions and in such manner and of such consideration as they shall consider to be for the benefit of the Company.
- (ii) Bonds, Debentures, debenture-stock, convertible loan stock and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.
- (iii) Any bonds, debentures, debenture-stock, convertible loan stock or other securities may be issued at a discount, premium or otherwise and with any special privileges as to redemption, surrender, drawings, allotment of shares, attending and voting at General Meetings of the Company, appointment of Directors and otherwise.

- (iv) All certificates for debentures, debenture-stock, loan stock or other securities issued in terms of these presents shall be issued under the Seal of the Company.

GENERAL POWERS OF DIRECTORS

107. The business of the Company shall be managed by the Board either themselves or through a Managing Director or executive director or with the assistance of a manager, an Agent, Agents and Secretary or Secretaries of the Company to be appointed by a resolution of the Board for such a period and upon such terms as they shall think fit with the power to determine such appointment as provided by the terms of such appointment or in default of such provisions by a like resolution. And the Board shall have power to make such rules and regulations for the management of the business and property of the Company as they shall from time to time think proper and shall carry on the business of the Company in such manner as they may think most expedient.
108. The Board may exercise all such powers of the Company as are not by the statutes or by these presents required to be exercised by the Company in General Meeting, subject nevertheless to any regulations of these presents, to the provisions of the statutes, and to such Regulations, being not inconsistent with aforesaid regulations or provisions, as may be prescribed by Ordinary Resolution of the Company, but no regulation so made by the Company shall invalidate any prior act of the Board which would have been valid if such regulation had not been made; provided however that the Board shall not without the authority of a Special Resolution of the Company:-
- (i) carry into effect or implement any terms arranged for the amalgamation of the Company with any other Company; or
 - (ii) sell or dispose of the business or undertaking of the Company (but a special resolution shall not be required for the exercise of the Board of its powers under Article 111);
109. (i) The Board may establish and make contributions or concur or join with any other companies in establishing and making contributions of the Company's moneys to any provident funds, schemes or funds for providing pensions, sickness or compassionate allowances, life assurance or other benefits for employees (which expression as used in this and the following subparagraph shall include any Director) and ex-employees of the Company and their widows and dependents and connections or any class or classes of such persons.
- (ii) The Board may (either subject or not subject to any terms or conditions) pay or enter into agreements to pay or make grants of revocable or irrevocable pensions or other benefits to employees and ex-employees and their widows and dependents and connections or to any of such persons including pensions or benefits additional to those (if any) to which they are or may become entitled under any such scheme or fund as is mentioned in the last preceding subparagraph. Any such pension or benefits may, as the Board may consider desirable be granted to an employee either before and in anticipation of or upon or at any time after his actual retirement.
110. All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments and all receipts for moneys paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, in such manner as the Board shall from time to time by resolution determine.
111. The Board may arrange that any branch of the business carried on by the Company or any other business in which the Company may be interested shall be carried on by or through one or more subsidiary companies, and they may on behalf of the Company make such arrangement as they think advisable for taking the profits or bearing the losses of any branch or business so carried on and they may appoint, remove and re-appoint any persons (whether members of their own body or not) to act as directors, executive directors, or managers or other officers of any such company or any other company in which the Company may be interested, and may determine the remuneration (whether by way of salary, commission on profits or otherwise) of any person so appointed.
112. The Directors may establish any Committees of Directors or Local Boards or Agencies for managing any of the affairs of the Company, either in Sri Lanka or elsewhere, and may appoint any persons to be members of such Local Boards, or any Managers or Agents and may fix their remuneration, and may delegate to any such Committee, Local Board, Manager or Agent any of the powers, authorities and discretions vested in the Board, with power but not in the case of any such Committee to sub-delegate, and may authorise the members of any Local Boards, or any of them to fill any vacancies therein, and to act notwithstanding vacancies, and any such appointment and delegation may be made upon such terms and subject to such conditions as the Board may think fit. The Board may remove any person so appointed, and may annul or vary any such delegation, but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby.

113. The Board may entrust to and confer upon a Director any of the powers exercisable by them upon such terms and conditions and with such restrictions as they may think fit and either collaterally with or to the exclusion of their own powers and may from time to time revoke, withdraw, alter or vary all or any of such powers.
114. The Board may from time to time and at any time by power under the seal appoint any company, firm or person or any fluctuating body, of persons whether nominated directly or indirectly by the Board to be the Attorney or Attorneys of the company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents) and for such period and subject to such conditions as they may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Board may think fit, and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him.
115. The Company may exercise the powers conferred by the Statute with regard to having an official seal for use abroad, and such powers shall be vested in the Board.
116. The company or the Board on behalf of the Company may in the exercise of the powers in that behalf conferred by the statutes cause to be kept a branch register or registers of members and the Board may (subject to the provisions of the Statutes) make and vary such regulations as they may think fit respecting the keeping of any such register.

MINUTES

117. The Directors shall cause minutes to be made in books provided for the purposes:
- (a) of all appointments of officers made by the Directors;
 - (b) of the names of the Directors present at each meeting of the Directors and of any committee of the Directors;
 - (c) of all resolutions and proceedings at all meetings of the Company, and of the Directors, and of committees of Directors;
- and every Director present at any meeting of Directors or committee of Directors shall sign his name in a book to be kept for that purpose.

SECRETARY

118. (i) Subject to the provisions of Sections 175 and 176 of the statutes the Board may from time to time appoint and employ, and at their discretion remove, any individual, firm, or company (qualified in terms of the statutes or the regulations thereunder to hold office as secretary) as the secretary of the Company, (in these presents called "the secretary" or "the secretaries") whose duties it shall be to keep all records and registers required by the statutes to be kept by the Company, to record, and maintain the minutes required by the preceding article or otherwise as required by these presents, to perform any other functions which by these presents are to be performed by the secretary, and generally to execute all other duties which may from time to time be assigned by the Directors to the secretary. The Board may also (where they appoint an individual as the secretary) appoint and employ any other person as assistant secretary provided that nothing herein contained shall preclude the Board from appointing more than one person as Joint Secretaries to function jointly and severally.
- (ii) Subject to the provisions of Section 176 of the statutes, the Board may at any time appoint and employ a temporary substitute for the secretary or assistant secretary (qualified in terms of the statutes or the regulations thereunder to hold office as secretary) who shall for the purpose of these presents be deemed, in the former case, to be the secretary.

SEAL

119. (i) The Board shall provide for the safe custody of the seal and the seal shall only be used by the authority of the Board or a committee of directors authorised by the Board in that behalf. Subject to the provisions of the next succeeding sub-paragraph, the seal of the Company shall not be affixed to any deed, certificate for shares, stock, debenture-stock or other form of security or other instrument except in the presence of two or more Directors or of one Director and the secretary who shall attest the sealing thereof. Such attestation on the part of the secretary, in the event of a firm being the secretaries, shall be signified by a partner or duly authorised agent or the said firm signing the firm name or for and on behalf of the said firm as such secretaries. In the event of a company being the secretary, such attestation shall be signified by a Director or the Secretary or the duly authorised agent of such company signing for and on behalf of such company as secretaries. The sealing shall not be attested by one person on the dual capacity of Director and Secretary or representative of the secretaries.

- (ii) Where the Board shall so resolve in the case of certificates for shares of the Company (which shall not however be deemed to include letters of allotment issued under the signature of the secretary on behalf of the Company) or in the case of certificates for debentures, debenture-stock, loan stock, or other forms of security (other than securities created by deed for which provision is made in the preceding sub-paragraph of this article) the signature of one of the directors or as the case may be the director who under the preceding sub-paragraph of this article attest or attests the sealing thereof may, with the approval and subject to the control of the auditors or the transfer-auditors or the bankers of the Company, be in the form of an autographic signature stamped or printed or impressed by manual or mechanical means thereon
- (iii) Any document sealed in accordance with the foregoing provisions of the Article shall be presumed to have been duly executed by the Company.

AUTHENTICATION OF DOCUMENTS

120. Any Director or the Secretary or the Assistant Secretary (if any) or any person appointed by the Board for the purpose shall have power to authenticate any documents affecting the constitution of the Company (including the Memorandum and Articles of Association) and any resolution passed by the Company or the Directors, and any books, records, documents and accounts relating to the business of the Company, and to certify copies thereof or extracts therefrom as true copies or extracts; and where any books, records, documents or accounts are elsewhere than at the Office the local manager or other officer of the Company having the custody thereof shall be deemed to be a person appointed by the Board as aforesaid.

DIVIDENDS

121. The Company may by ordinary Resolution declare dividends but no dividend shall be payable in excess of the amount recommended by the Directors or otherwise than out of profits.
122. Any income derived from the investments of the Company or any part thereof may be treated as profits and dealt with and distributed by way of dividend, without obligation to make provision for any depreciation in the capital value of the investments.
123. Subject to the rights of persons, if any entitled to shares with special rights as to dividend, all dividends shall be declared and paid according to the amounts paid on the shares in respect whereof the dividend is paid, but (for the purposes of this Article only) no amount paid on a share in advance of calls shall be treated as paid on the share. All dividends shall be apportioned and paid pro rata according to the amounts 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.
124. If and so far as in the opinion of the Board the profits of the Company justify such payments, the Board may pay the fixed cumulative preferential dividends on any class of shares carrying a fixed cumulative preferential dividend expressed to be payable on fixed dates on the half-yearly or other dates, if any, prescribed for the payment thereof by these presents or by the terms of issue of the shares, and subject thereto may also from time to time pay to the holders of any other class of shares interim dividends thereon of such amounts and on such dates as they think fit.
125. If the Company shall issue shares at a premium, whether for cash or otherwise, the Board shall transfer, a sum equal to the aggregate amount or value of the premiums to an account to be called 'Share Premium Account' and any amount for the time being standing to the credit of such account shall not be applied in the payment of dividends.
126. No dividend or other moneys payable on or in respect of a share shall bear interest as against the Company.
127. The Board may deduct from any dividend or other moneys payable to any Member on or in respect of a share all sums of money (if any) authorised by these presents to be deducted therefrom.
128. The Board may retain any dividend or other moneys payable on or in respect of a share on which the Company has a lien, and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.
129. The Board may retain the dividends payable upon shares in respect of which any person is under the provisions as to the transmission of shares hereinbefore contained entitled to become a Member, or which any person under those provisions is entitled to transfer, until such person shall become a Member in respect of such shares or shall duly transfer the same.

130. The payment by the Board of any unclaimed dividend or other moneys payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof and any dividend unclaimed after a period of six years from the date of declaration of such dividend may be forfeited and it is so forfeited shall then revert to the Company. All unclaimed dividends may be invested or otherwise made use of by Directors for the benefit of the Company until claimed.
131. The Company in General Meeting may upon the recommendation of the Directors by Ordinary Resolution direct payment of such dividend in whole or in part by the distribution of specific assets and in particular of paid-up shares or debentures of this Company or of any other company or in any one or more of such ways; and the Directors shall give effect to such resolution, and where any difficulty arises in regard to such distribution, the Directors may settle the same as they think expedient and in particular may issue fractional certificates and fix the value for distribution of such specific assets or any part thereof and may determine that cash payment shall be made to any Members upon the footing of the value so fixed in order to adjust the rights of all parties and may vest any such specific assets in trustees as may seem expedient to the Directors.
132. Any dividend or other moneys payable in cash on or in respect of a share may be paid by cheque or warrant sent through the post to the registered address of the Member or person entitled thereto, or as otherwise directed in writing by such Member or person, or, if several persons are registered as joint-holders, of the share, or are entitled thereto in consequence of the death or bankruptcy of the holder, to any one of such persons or to such person and such address as such persons may by writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent or to such person as the holder or joint-holders or person or persons entitled to the share in consequence of the death or bankruptcy of the holder may direct, and payment of the cheque or warrant if purporting to be endorsed shall be a good discharge to the Company. Every such cheque or warrant shall be sent at the risk of the person entitled to the money represented thereby.
133. If several persons are registered as joint-holders of any share, or are entitled jointly to a share in consequence of the death or bankruptcy of the holder, any one of them may give effectual receipt for any dividend or other moneys payable on or in respect of the share.

RESERVES

134. The Board may, before recommending any dividend, set aside, out of the profits, of the Company, such sums as they think proper to one or more reserve funds to meet contingencies, or for equalising dividends, or for special dividends, or for repairing, improving, and maintaining any of the property of the Company, and for such other purpose as the Directors shall in their absolute discretion think conducive to the interests of the Company; and may invest the several sums so set aside upon such investments (other than shares of the Company), as they may think fit, and from time to time deal with and vary such investments, and dispose of all or any part thereof for the benefit of the Company, and may divide the reserve fund into such special funds as they think fit and may employ the reserve fund or any part thereof in the business of the Company and that without being bound to keep the same separate from the other assets. The Directors may also without placing the same to reserve carry forward any profits which they may think it inconvenient or not prudent to divide.

CAPITALISATION OF PROFITS AND RESERVES

135. The Company in General Meeting may upon the recommendation of the Board resolve that it is desirable to capitalise any part of the amount for the time being standing to the credit of all or any of the company's reserve accounts (including any surplus monies arising from the realisation of any capital assets of the company or from any investments representing the same) or to the credit of the profit and loss account or otherwise available for distribution and accordingly that such sum be set free for distribution, amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportions on condition that the same be not paid in cash but be applied either in or towards paying up any amounts for the time being unpaid on any shares held by such members respectively or paying up in full unissued shares or debentures or securities of the Company to be allotted and distributed credited as fully paid up to and amongst such members in the proportion aforesaid or partly in the one way and partly in the other and the Directors shall give effect to such resolution.

Provided that a share premium account and a capital redemption reserve fund may for the purpose of this Article only be applied in the paying up of unissued shares to be issued to members of the Company as fully or partly paid bonus shares.

136. Whenever such a resolution as aforesaid shall have been passed, the Directors shall make all appropriations and applications of the undivided profit resolved to be capitalised thereby, and all allotments and issues of fully paid shares, debentures or securities, if any, and generally shall do all acts and things required to give effect thereto, with full power to the Directors to make such provision by the issue of fractional certificates or by payment in cash or otherwise as they think fit where shares debentures or securities become distributable in fractions including the power to sell all or any of such fractions. The Board shall also have power to authorise any person to enter on behalf of all the Members interested into an agreement with the Company providing for the allotment to them respectively credited as fully paid up, of any shares to which they may be entitled upon such capitalisation, or (as the case may require) for the payment up by the Company on their behalf, by the application thereto of their respective proportions of the amount resolved to be capitalised, of the amounts or any part of the amounts remaining unpaid on their existing shares or for appointing any person to sign transfers of shares to avoid fractional certificates. Any agreement made under such authority shall be effective and binding on all such Members.

REGISTERS

137. The Board shall duly comply with the provisions of the Statutes and in particular the provisions in regard to registration of charges created by or affecting property of the Company, in regard to keeping a Register of Directors and Secretaries, Register of Members, and a register of mortgages and charges and a register of Directors' share and debenture holdings, and in regard to the production and furnishing of copies of such registers and of any register of holders of debentures of the Company.

ACCOUNTS

138. The Board shall cause to be kept such books of accounts as are necessary to comply with the provisions of the Statutes.
139. The books of accounts shall be kept at the Office, or at such other place in Sri Lanka as the Directors think fit, and shall always be open to the inspection of the Directors. No Member (other than a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by Statute or authorised by the Directors or by Ordinary Resolution of the Company and no member not being a director shall be entitled to require or receive any information concerning the business trading or customers of the company or any trade secret or secret process used by the company.
140. The Board shall from time to time in accordance with the provisions of the Statutes cause to be prepared and to be laid before a General Meeting of the Company such profit and loss accounts, balance sheets, group accounts (if any) and reports as may be necessary.
141. A printed copy of every balance sheet and profit and loss account which is to be laid before a General Meeting of the Company (including every document required by law to be annexed thereto), together with a copy of every report of the Auditors relating thereto and of the Directors' report, shall not less than twenty-one days before the date of the meeting be sent to every Member of, and every holder of debentures of, the Company and to every other person who is entitled to receive notices from the Company under the provisions of the Statutes or of these presents (provided that this Article shall not require a copy of these documents to be sent to any person of whose address the Company is not aware or to more than one of joint holders, but any Member to whom a copy of these documents has not been sent shall be entitled to receive a copy free of charge on application at the Office).

AUDIT

142. At each Annual General Meeting the retiring Auditor, shall, without any resolution being passed, be deemed to have been re-appointed until the conclusion of the next ensuing Annual General Meeting, unless:-
- (i) he is not qualified for re-appointment; or
 - (ii) a resolution had been passed at that meeting in accordance with the Statutes appointing some other person or firm instead of him or providing expressly that he shall not be so appointed; or
 - (iii) he has given to the Company notice in writing of his unwillingness to be appointed.

In any such case the Company shall at such meeting appoint some other person in lieu.

143. The Directors shall have power to fill a casual vacancy in the office of an Auditor by appointing some person or firm to hold such office until the conclusion of the next Annual General Meeting, but while any such casual vacancy continues, the surviving or continuing Auditor (if any) may act.

144. Subject to the provisions of the Statutes, all acts done by any person acting as an Auditor, shall as regards all persons dealing in good faith with the Company, be valid notwithstanding that there was some defect in his appointment, or that he was at the time of his appointment not qualified for appointment.
145. The Auditor shall be entitled to attend any General Meeting and to receive all notices of and other communications relating to any General Meeting which any Member is entitled to receive, and to be heard at any General Meeting on any part of the business of the meeting which concerns him as Auditor.

NOTICES

146. Any notice or document (including a share certificate) may be served by the Company on or sent to any Member either personally or by sending it through the post in a prepaid letter addressed to such Member at his registered address, or (if he has no registered address within Sri Lanka) to the address, if any, within Sri Lanka supplied by him to the Company as his address for the service of notices. Where a notice or other document is served by post, service shall be deemed to be effected at the expiration of 24 hours after the letter containing the same is posted, and in proving such service it shall be sufficient to prove that such letter was properly addressed, stamped and posted.
147. In respect of joint holdings all notices shall be given to that one of the joint-holders whose name stands first in the Register of Members, and notices so given shall be sufficient notice to all the joint-holders.
148. A person entitled to a share in consequence of the death or bankruptcy of a member, upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share, and upon supplying also an address within Sri Lanka for the service of notices, shall be entitled to have served upon him at such address any notice or document to which the Member but for his death or bankruptcy would be entitled, and such service shall for all purposes be deemed a sufficient service of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share. Save as aforesaid any notice or document delivered or sent by post to or left at the registered address of any Member in pursuance of these presents shall notwithstanding that such Member be then dead or bankrupt, and whether or not the Company have notice of his death or bankruptcy, be deemed to have been duly served in respect of any share registered in the name of such Member as sole or joint-holder.
149. A member whose registered address is outside Sri Lanka may from time to time notify in writing to the company an address within Sri Lanka which shall for the purposes of notice be deemed to be his registered address.
150. If a member has no registered address in Sri Lanka, and has not supplied to the Company an address within Sri Lanka for the giving of notices to him, a notice posted up in the registered office of the Company shall be deemed to be duly given to him at the expiration of 24 hours from the time when it is so posted up.
151. Any notice required to be given by the Company to the members or any of them and not expressly provided for by these presents shall be sufficiently given if given by advertisement.
152. Any notice required to be or which may be given by advertisement shall unless otherwise required By the Statutes be advertised once in any leading national daily newspaper.
153. Notwithstanding anything in these Articles contained the Board may if they so determine and at the cost and expense of the Company cause any notice or circular to members to be sent by air mail to the address outside Sri Lanka of all such members of whose address outside Sri Lanka the Company or its Secretaries and/or Agents and Secretaries shall be aware and that whether or not the member shall have registered an address in Sri Lanka or shall have been sent such notice or circular to his address in Sri Lanka. A notice so sent by air mail shall be deemed to have been served at the expiration of seven days after the posting of the same. Nothing in this Article contained shall entitle a member who has not registered or supplied an address in Sri Lanka to have notices sent to him of a General Meeting.

WINDING UP

154. (i) If the Company shall be wound up, whether voluntarily or otherwise, the Liquidators may with the sanction of an Extraordinary Resolution divide among the contributories in specie or kind any part of the assets of the Company, and may with the like sanction vest any part of the assets of the Company in Trustees upon such trusts for the benefit of the contributories or any of them as the Liquidators with the like sanction shall think fit.

Special Resolution passed at the EGM held on the 9th February, 1999 "That Article 152 of the Articles of Association of the Company be amended by the deletion of word 'Colombo' immediately after the word 'leading' in line 2 and by the substitution therewith of the word 'national'

- (ii) If thought expedient any such division may be otherwise than in accordance with the legal rights of the contributories (except where unalterably fixed by the Memorandum of Association) and in particular any class may be given preferential or special right or may be excluded altogether or in part, but in case any division otherwise than in accordance with the legal rights of the contributories shall be determined on, any contributory who would be prejudiced thereby shall have a right to dissent and ancillary rights as if such determination were a special resolution passed pursuant to Section 317 of the Statutes.
- (iii) In case any of the shares to be divided as aforesaid involve a liability to calls or otherwise any person entitled under such division may within ten days after the passing of the Extraordinary Resolution by notice in writing direct the Liquidator to sell his proportion and pay him the net proceeds, and the liquidator shall if practicable, act accordingly. The Liquidator may, with the like authority, vest any part of the assets in trustees upon such trust for the benefit of Members as the Liquidator with the like authority shall think fit, and the liquidation of the Company may be closed and the Company, dissolved, but so that no contributory shall be compelled to accept any shares in respect of which there is a liability.
- (iv) Any Member of the Company whether a Director or not and whether alone or jointly with any member or person, firm or company may become the purchaser of the property of the Company or any part thereof in a winding up or at any other time when a Sale of the Company's property or any part thereof shall be made or effected on the liquidation of the Company.

INDEMNITY

155. Subject to the provisions of the Statutes, every Director, Manager, Auditor, Secretary or other officer of the Company shall be entitled to be indemnified by the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution and discharge of his duties or in relation thereto.

Every director, manager, auditor, trustee, member of a committee, officer, servant, agent, accountant or other person employed in the business of the company shall, if so required by the Board, before entering upon his duties sign a declaration pledging himself to observe a strict secrecy respecting all transactions of the company with its customers and the state of accounts with individuals and in matters relating thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in his discharge of duties, except when required so to do by the directors or by any meeting or by a court of law and except so far as may be necessary in order to comply with any of the provisions in these presents mentioned.

We the several persons whose names and addresses are hereunto subscribed, being subscribers to the Memorandum of Association, hereby agree and set our signatures to the foregoing Articles of Association.

Names, Addresses and descriptions of the Subscribers	Signature
1. Wijesekera Don Cornelis Abeygoonawardena 20 Havelock Place, Galle -- Landed Proprietor and Merchant	Sgd.
2. Mrs Nancy Snehathatha Abeygoonawardena 23 Kandawala Road, Ratmalana -- Landed Proprietress	Sgd.

Witness to the above signatures at Galle, this 29th day of March 1973.

Halloluwe Kankanange Leelaratne Jayasekera
"Jayasevna"
Hirimburu Galle
-- Merchant

