The Kuppuswamy Naidu Charity Trust For Education and Medical Relief

DEED OF TRUST

As amended by the supplemental deed
Registered as document No. 868 of 2004 on 21st June 2004

DEED OF TRUST

This Deed of Trust made this fifteenth day of October, 1948 between **Mr.G.VENKATASWAMY NAIDU,** son of Govindaswamy Naidu, Hindu,Kammavar Caste, Rajakundalavar, Merchant, residing at Avanashi Road, Coimbatore, hereinafter called Founder of the one part and

1. **Mr. G. VENKATASWAMY NAIDU,** son of Govindaswamy Naidu, Hindu, Kammavar Caste, Rajakundalavar, Merchant, Avanashi Road, Coimbatore.

2. **Mr. G. K. DEVARAJULU NAIDU,** son of G. Kuppuswamy Naidu, Hindu, Kammavar Caste, Rajakundalavar, Merchant, Avanashi Road, Coimbatore.

3. **Mr. G. K. SUNDARAM,** son of G. Kuppuswamy Naidu, Hindu, Kammavar Caste, Rajakundalavar, Merchant, Avanashi Road, Coimbatore.

4. **Mr. K. GOVINDASWAMY,** son of G. Kuppuswamy Naidu, Hindu, Kammavar Caste, Rajakundalavar, Merchant, Avanashi Road, Coimbatore.

5. **Mr. R. BEEMA NAIDU,** son of Rangaswamy Naidu, Hindu, Kammavar Caste, Endapallar, Merchant, Uppilipalayam, Singanallur, Coimbatore.

6. **Mr. S.M. KUPPUSWAMY CHETTIAR,** son of Muthuswamy Chettiar, Hindu, Vaniar Caste, Merchant, Ramanathapuram, Coimbatore and

7. **Mr.P.S. PALLIKONDA AYYER,** son of Chinnaswamy Ayyar, Hindu, Sathatha Srinivaishnava, Ryot, Pappanaickenpalayam, Coimbatore.

hereinafter called the 'Trustees' which expression shall, unless repugnant to the context, include the Trustees for the time being of the "Kuppuswamy Naidu charity Trust for Education and Medical Relief," of the other part,

Whereas

(a) Founder cherished a keen desire to serve the people of this country by imparting sound education with opportunities for research and the rendering of free and better Medical Aid;

(b) the above said purpose can be achieved by opening of High Schools, Colleges, Research Institutes, well equipped hospitals, dispensaries and health centres at various villages and towns;

(c) for the above said purpose the Founder intends to create a Trust with an initial endowment of Rs. 50,000/- (Rupees Fifty Thousand only) in cash;

(d) the said sum of Rs. 50,000/- was handed over to the Trustees;

(e) it is necessary to provide rules and regulations for the governance of the said Trust;

(f) the Trustees above named have accepted the said Trust on the terms and conditions hereinafter appearing and do conduct the affairs of the Trust.

NOW THIS DEED WITNESS and it is hereby agreed and declared as follows:

Name

1. The name of the Trust shall be *"The Kuppuswamy Naidu Charity Trust for Education and Medical Relief"* [herein called "The Trust"].

Properties vested in the Trustees

2. The Founder doth transfer a sum of Rs. 50,000/- in favour of the Trust, unto the Trustees thereof.

3. The Trustees shall hold the properties transferred under clause 2 above and any other properties or funds which may be hereafter endowed for the said Trust or come into its possession for the use and benefit of The Kuppuswamy Naidu Charity Trust for Education and Medical Relief.

Objects of the Trust

4. To build, run, maintain, carry on High Schools, Colleges, Hostels, Research institutions and other Educational Institutions, award scholarships, encourage, finance and subsidise Industrial Research, Research in Science, Technology, Engineering, Medicine and other allied subjects, open, maintain, improve and enlarge hospitals, welfare institutions, dispensaries in several towns and villages, provide facilities for the imparting of medical education and for higher studies in medicine and generally do all such other things conducive to the attainment of the General object of the Trust namely education and medical relief to the public, provided however nothing here-in-before stated shall be deemed to include any object or purpose which is not a "charitable purpose" within the meaning of "Sub-section (15) of Section 2 of the Income-tax Act, 1961 or any amendments or re-enactments thereof".

Trustees

5. (a) The Founder doth hereby affirm that the Seven persons here-in-above mentioned as Trustees shall be the first Trustees of the Trust. Each of the said Seven First Trustees shall be a "Life Trustee".

(b) The number of Trustees shall be not less than Seven and shall be not more than Eleven.

(c) Out of the maximum number of Eleven Trustees, Six Trustees shall represent the Life Trustees and the remaining Five shall represent the Non-Life Trustees.

(d) The Trustees, except for Life shall retire once in three years. Any vacancy in the office of a Non- Life Trustee may by filled in by the remaining Trustees. The new Trustee so appointed shall hold office for the un-expired period of the Trustee causing such vacancy.

(e) Notwithstanding anything to the contrary herein , any vacancy in a Life Trustee shall be filled in only by the remaining Life Trustee(s). The Trustee so nominated to the vacancy shall also be and *ipso-facto* become a Life Trustee. The appointee shall be a Member of the GKN Family. For equitable representation of the GKN Family as Life Trustees, the sons of Sri.G.Kuppuswamy Naidu viz., Sri.G.K.Devarajulu, Sri.G.K.Sundaram and Sri.K.Rajagopal and their respective family shall constitute three separate branches. The six Life Trustees shall represent each branch equally. If more than two persons qualified for appointment as a Life Trustee is there in any of the said branch(es), the two Life Trustees to represent that branch shall, in the absence of consensus, be determined by lot conducted by the said branch. If a member of the GKN Family qualified for appointment as a Trustee is not immediately available, the Life Trustees can fill in the vacancy temporarily by appointing a suitable person of their choice to hold office for a period not exceeding one year at a time only till such time a qualified Member of the GKN Family is appointed.

For the Purpose of the Trust Deed, *"GKN Family"* means the male descendants of Sri.G.Kuppuswamy Naidu, son of Sri.Govindaswamy Naidu, after whom the Trust is named. In determining whether the person is a Member of the GKN Family, the decision of the majority of the Life Trustees shall be final and binding.

(f) No person shall be appointed of continue to act as a life / non-life Trustee if he / she, as the case may be:

- is not an individual who has attained the age of Twenty One years;
- is or becomes of unsound mind;
- is an undischarged insolvent or applies to be so adjudicated;
- is convicted of any offence involving moral turpitude and is sentenced in respect there of to imprisonment for not less than six months;
- resigns and the resignation is accepted as per the Bye-Laws;
- is removed as per the Bye - Laws;
- is or has become in the opinion of the majority of the life Trustees incapable of acting as a Trustee.

(g) A vacancy in the office of any Trustee(s) shall not invalidate any proceedings of the Trust and the remaining Trustees can validly transact the business of the Trust. However, if the number of Trustees fall below the minimum, the remaining Trustees shall not, except for the purposes of filling any vacancy, act so long as the number is below the said minimum.

(h) The Trustees shall be accountable only for such monies, funds, etc. as shall actually come into their hands and a Trustee shall not be answerable or accountable for neglect, default, acts or omission of the other Trustees or other person (s) with whom the Trust properties may have been kept.

(i) The Trustees will not be entitled to receive any remuneration, but the Trustees may reimburse themselves all expenses actually incurred by them in connection with the Trust or their duties relating thereto.

Power and duties of the Trustees

6. (a) All the properties, funds and assets of the Trust shall vest in the Trustees and the Trustees shall be in the complete management of the affairs of the Trust.

(b) The Trustees shall have power to augment the funds of the Trust from any source whatsoever by accepting donations, voluntary contributions or any kind of help from outside if they think such acceptance is in the interest of the Trust.

(c) The capital, income, profits or gains of whatever kind belonging to the Trust shall not be utilized for any purpose other than for the object of the Trust and no portion of it will be utilized for payment to Trustees by way of profit, interest , dividend or in any other manner.

(d) Without prejudice to the above said general powers and so as not in any way to limit or control those powers, the Trustees shall have powers:

i) To purchase, lease, provide, erect, maintain and keep up lands, buildings, equipment and materials and to sell, mortgage or dispose of all or any of the same as the Trustees may think fit.

ii) To make or receive all such loans and advances as they may think proper.

iii) To have control over the assets of the Trust and to execute, become party to sign, acknowledge, perfect and register all deeds, agreements and writings and to give effectual discharge on behalf of and against the Trust.

iv) To sell, exchange and deal with any stocks, funds, shares, bonds, debentures. debenture stocks and other securities.

v) To borrow, from time to time, such sum or sums of money at such interest for such period and on such terms with or without security, movable or immoveable, as the Trustees may think fit and to secure payment thereof with interest by mortgage or by bonds, promissory notes, bills, hundies and other negotiable securities or by issue of debentures.

vi) To draw, make, accept, endorse, discount, negotiate, execute and issue promissory notes, bills of exchange, hundies, cheques, Government and other securities and other negotiable instruments.

vii) To institute, conduct, defend, compound, withdraw, compromise, adjust, refer to arbitration or abandon any legal or other proceedings claims or disputes, by or against the Trust or Trustees or against its officers or employees concerning the affairs of the Trust and to sign and verify vakalats, plaints, statements, execution petitions, affidavits and other proceedings.

viii) To appoint from time to time and at any time to suspend, dismiss, remove or discharge any person under their control including clerks, accountants and other employees with such powers and duties and upon such terms as to duration office, remuneration or otherwise as the Trustees shall think proper.

ix) To open and close accounts with scheduled Banks as defined in the Reserve Bank of India Act, 1934 or if no such Bank exists any other leading Bank or Banks, to operate upon such accounts, to pay and draw money from such accounts and otherwise deal with the same.

x) To insure and keep insured, if deemed expedient, all or any of the buildings and other assets of the Trust, to invest the surplus funds of the Trust in securities approved by Law relating to trusts including the provisions of the Income Tax Act 1961 or any reenactment thereof.

xi) Generally to carry out such transactions as they consider expedient in the interest of the Trust and to make all such arrangements and do such acts and things on behalf of the Trust as may be usually necessary desirable or expedient in the management of the affairs of the Trust or in carrying out its objects.

General

7. Any amendments to the Trust Deed can be effected only with the consent in writing of not less than 2/3^{rds} of the Life Trustees and with the prior approval of the commissioner of Income Tax.

8. If it appears to the Trustees that the object of the Trust cannot be carried out economically or if in the interest of such objects it becomes desirable to amalgamate the Trust with some other Trust having the same or similar objects or for some other reason it would, in the opinion of the Trustees, otherwise be expedient to discontinue the Trust, The Trustees with the consent in writing of not less than 2/3rd of the life Trustees and with the approval of the Commissioner of Income Tax, shall make over all assets, rights, funds and obligations of the Trust to some other Trust having the same or similar objects or allow the trust to be amalgamated with some other Trust having the same or similar objects and thereafter the Trust herein created shall stand dissolved.

9. The Trustees shall have power to frame Rules and Regulations from time to time for the proper conduct of the affairs of this Trust and alter, amend or add to the Rules and Regulations so framed, but so as not to be inconsistent with the provision hereof. The Rules and Regulations [herein referred to as "Bye-Laws"] made in pursuance of this clause can be varied or amended by a resolution of the Trustees with the consent in writing of not less than 2/3^{rds} of all the Life Trustees of the Trust. However, no such alteration of the Bye –Laws shall be permitted which will result in the application of the funds for purposes other than those of a charitable nature or contrary to the objects of the Trust or which is under the Bye-Laws specifically provide as alterable in the specific manner provided therein."

BYE-LAWS OF THE TRUST

Whereas

Clause 9 of the Deed of Trust empowers the Trustees to make such rules and regulations not inconsistent with the objects of the Trust:

It is desired necessary to frame rules and regulations for managing the affairs of the Trust.

Now, these rules and regulations [herein for brevity referred to as "Bye-Laws"] witnesseth and provides as follows:

1.0 Interpretation – Clause

Unless the context otherwise admits, in the Trust Deed and Bye-Laws:

"Board"	means Board of Trustees of the Trust.
"Gender"	in the Trust Deed and Bye-Laws, word importing the masculine gender also include the feminine gender.
"GKN Family"	means the male descendants of Sri G Kuppuswamy Naidu, Son of Sri.Govindaswamy Naidu after whom the Trust is named. *Explanation:* The decision of the majority of the life Trustees shall be final and binding on whether an individual is a Member of the GKN Family.
"Life Trustee"	means a Life Trustee of the Trust as per the Trust Deed.
" Non-Life Trustee"	means a Trustee other than a Life Trustee as per the Trust Deed.
"President"	means President of the Board.
"Office"	refers to the Office of the Trust at 88, Nethaji Road, Pappanaickenpalayam, Coimbatore - 641037 or anyother place as decided by Trustees.

"Secretary"	means Secretary appointed by the Board of Trustees and includes any person entrusted by the Board with the duties and responsibilities of a Secretary.
"Trust"	means *The Kuppuswamy Naidu Charity Trust For Education And Medical Relief* constituted by the Deed of Trust dated 15th day of October 1948 and modified from time to time.
"Trust Deed"	means the Deed of Trust dated 15th day of October 1948 and modified from time to time.
"Trustee"	refers to a Trustee of the Trust and shall not include an Honorary Trustee.
"Vice President"	means Vice President of the Board.
"Year"	means the period of 12 months from 1st April to 31st March each year or any other period of 12 months decided by the Trustees.

2.0 Trustees

2.1 Number of Trustees

The Number of trustees shall be not less than Seven and shall be not more than Eleven.

2.2 Disqualification

No person shall be appointed or continue to act as a life/non-life Trustee if he :

- is not an individual who has attained the age of Twenty One years ;
- is or becomes of unsound mind;
- is an undischarged insolvent or applies to be so adjudicated;
- is convicted of any offence involving moral turpitude and is sentenced in respect thereof to imprisonment for not less than six months;
- resigns and the resignation is accepted under Clause # 2.5 hereof;
- is removed under Clause # 2.6 hereof;
- is or has become in the opinion of majority of the life Trustees incapable of acting as a trustee;

2.3 Appointment

A Trustee shall be appointed in the manner provided in the Trust Deed.

2.4 Retirement

Non-Life Trustees shall retire by rotation in the manner provided in the Trust Deed. A retiring Trustee is eligible for reappointment.

2.5 Resignation

A Trustee may resign by giving 30 days notice in writing thereof to the President or the Secretary. The resignation is effective from the date of acceptance of the resignation.

2.6 Removal

A Life Trustee can be removed with the consent of all the other Life Trustees. A Non-Life Trustee may be removed with the consent of not less than 75% of the Trustees. Any Trustee proposing the removal of another shall give 21 days notice of the intention to remove a Trustee, to the Board. The Trustee proposed to be removed will have the right to be heard.

2.7 Filling in vacancy

Where a Trustee ceases to be Trustee on account of being disqualified under Clause 2.2 herein, the resulting vacancy may be filled in by the Trustees in the manner provided in the Trust Deed.

2.8 Age vis-a-vis Trustees

No person shall be appointed or continue to act as a Non-Life Trustee if he is or has attained the age of 75 years.
No person shall be appointed to act as a Life Trustee if he is or has attained the age of 80 years. On attaining the age of 80 years, the Life Trustee is designated to act as an Honorary Trustee.

2.9 Honorary Trustee(s)

Whenever a Life Trustee attains the age of 80 years or a non-life trustee attains the age of 75 years, the Trustees may designate him/them as Honorary Trustee(s). The Honorary Trustee(s), may attend meetings of the Board, but shall have no right to vote. The Honorary Trusteeship is a status of recognition not carrying with it the powers and duties of a Trustee.

3.0 Board of Trustees

3.1 Constitution

All the Trustees shall be members of the Board. The Board shall have, *Interalia,* a President and vice President.

3.2 Powers of the Board

The Board shall exercise all the powers vested in it under the Trust Deed. Notwithstanding anything contained in the Trust Deed, the Board shall have all the powers inherent and implied in it to do all acts and deeds of the routine nature for the purpose of managing the affairs of the Trust and achieving the objects of the Trust.

The decision of the Trustees shall be based on the majority. However, in respect of the following matters the consent of not less than 2/3^{rds} of the Life Trustees shall be mandatory.

(i) Alteration of the Bye-Laws

(ii) Alteration of the Trust Deed

3.3 President

The President shall be chosen by majority of the Life Trustees from among themselves.

The president shall be the head of the Board of Trustees. He shall attend to all matters of administration and management of the Trust and shall have, subject to these presents also such powers as may be delegated to him by the Board. He shall preside over all meetings of Board of Trustees.

The term of appointment of the President shall be for a period of five consecutive years and he shall be eligible for reappointment only for a second consecutive term of five years.

3.4 Vice President

The Vice President shall be chosen by majority of Life Trustees from among themselves.

The Vice president shall assist the President in the discharge of the administration and management of the Trust and shall have, subject to these presents also such powers as may be delegated to him by the Board.

The Vice President shall discharge the functions of the President during any Vacancy or long absence in the Office of the President and his acts shall be deemed to be done as if by the President.

The term of appointment of the Vice president shall be for a period of five consecutive years and he shall be eligible for reappointment only for a second consecutive term of five years.

3.5 Secretary

The Board may appoint an individual as the Secretary of the Trust to handle the routine matters relating to the affairs of the Trust. The Secretary shall be an employee of the Trust and he shall report to the President and accountable to the Board.

The Secretary will be responsible, *interalia*, for the following functions

i) Shall call for meetings, record the proceedings and circulate Minutes to all Trustees.
ii) Shall manage the routine day-to-day affairs of the Trust.
iii) Shall be responsible for all communication and reporting.
iv) Shall ensure compliance of all statutory requirements of the Trust.

3.6 Financial

At the Meeting of the Board immediately prior to the commencement of a year, a capital and revenue budget, covering all possible items, a projected Cash Flow Statement and projected Balance Sheet shall be placed for approval.

At every Meeting of the Board, an Income and Expenditure Account, Cash Flow Statement and Balance Sheet for the immediately preceding quarter shall be placed. The comparative figures as in the budget and actuals shall also be shown in the statement(s) placed before the Board.

3.7 Audit

The Board shall appoint qualified Chartered Accountant(s) to act as Auditor(s) and shall also fix their remuneration. The accounts of the Trust shall be subject to audit by the Auditor(s) and shall be placed and considered by the Board annually.

3.8 Sub-Committees

The Board may constitute Sub-Committee(s) who may be entrusted with specific jobs. Save as otherwise provided, any act of the Sub-Committee acting within its delegated powers shall bind the Board. The proceedings of the Sub-Committee(s) shall be placed at the immediately subsequent meeting of the Board for information and ratification.

3.9 Disclosure of Interest

Every Trustee who is in any way directly or indirectly concerned or interested in any other Company or concern [either as Director, Partner, Proprietor or otherwise] carrying on any business or activity similar to the business carried on by the Trust shall disclose the nature of his concern or interest to the Board.

The disclosure shall be made, initially on appointment and thereafter during March every year. A Trustee shall also intimate to the Board any change in the disclosure already given within 20 days.

4.0 Board Meetings

4.1 Frequency

The Board shall meet as often as may be deemed necessary. However, it shall meet atleast once in every three months and atleast four such meetings shall be held in a year.

4.2 Meetings

The Meetings of the Board shall be convened by the Secretary on the directions of the President. Two or more Trustees may also request for convening a Meeting of the Board. The Secretary shall on such request convene the Meeting of the Board by giving due notice.

4.3 Notice

The Secretary shall give 15 days notice for the Meeting of the Board of Trustees. The Agenda for the Meeting should be sent, to the extent possible, along with the Notice.

4.4 Quorum

The Quorum for a Meeting of the Board shall be minimum Five Trustees. Out of the minimum Five Trustees, atleast three shall be Life Trustees which shall invariably include the President and / or the Vice President. Subject to the quorum, at any Meeting of the Board, the number of Life Trustees present shall be atleast equal to the number of Non-Life Trustees present.

4.5 Voting at Meetings

Save as otherwise expressly provided herein [or] in the Trust Deed, questions arising at any Meeting of the Board shall be decided by a majority of Votes. In case of equality of Votes, the President, or in his absence the Vice President shall have a second or casting vote.

4.6 Voting otherwise than in person

In case of inability of a Trustee to attend the Meeting of the Board for any reason, he may vote in respect of any matter thereat by expressing his intention in writing sent by post or by Facsimile Transmission (including, but not limited to Fax, E-Mail etc.). To be valid such vote(s) should be received at the Office of the Trust atleast two hours before the time fixed for the meeting of the Board and not otherwise.

Save as otherwise expressly provided herein or in the Trust Deed, a resolution in writing signed by all the Members of the Board or a Committee thereof, for the time being entitled to receive Notice of a Meeting of the Board or Committee, shall be as valid an effectual as if it had been passed at a Meeting of the Board or Committee, duly convened and held.

The resolution passed by circulation as above shall be placed at the immediately subsequent meeting of the Board for information and ratification.

Notwithstanding anything contained herein, the appointment of a Trustee shall be made only at a Meeting of the Board of Trustees.

4.7 Expenses

The Trustees shall be entitled to reimbursement of all lawful expenses incurred by them in discharge of their function as Trustees.

4.8 Minutes of Board and Committee Meetings

The Minutes of proceedings of every meeting of the Board and Sub-Committee of the Board shall be prepared within 15 days after completion of the meeting and the same shall be duly signed by the President. These Minutes may be kept in registers or in loose leaf form as may be decided by the Board of Trustees and shall be open for inspection by any Trustee during reasonable working hours of the Trust. Copy of the Minutes duly signed by the President as above shall be forwarded to every Trustee without any delay.

4.9 Interpretation and Resolution of Disputes

In the event of any difficulty or doubt in interpretation or working out any of the terms of the Trust, or in the event of any dispute amongst the Trustees on any matter pertaining to the Trust, should there be any dead lock or no unanimity or failure to arrive at a reasonable interpretation or a resolution thereof, the same shall be referred to a suitable and competent person acceptable to not less than 2/3^{rds} of the Life Trustees. The decision of such a person to whom the matter is referred to, shall be final binding on the Trustees.

4.10 Alteration of the Bye-Laws

The Bye-Laws may be varied or amended from time to time by a resolution of the Board with the consent in writing of not less than 2/3^{rds} of the Life Trustees.

However no such alteration of Bye-Laws shall be permitted :

- Which will result in the application of the funds for other than charitable purpose.
- For purposes which will be contrary to the Trust Deed.

Declaration

10. It is hereby expressly declared that:

- the Trust shall not carry on any activity with the intention of earning profit;
- no activity of the Trust shall be carried outside India;
- the benefits of the Trust are open to all irrespective of caste, religion, sex, etc.
- this Trust shall be irrevocable.

IN WITNESS WHEREOF the parties hereto have here unto signed on the day year first above written.

Founder :

(Sd.) **G. VENKATASWAMY NAIDU**

Trustees :

1. (Sd.) **G. VENKATASWAMY NAIDU**
2. (Sd.) **G.K DEVARAJULU**
3. (Sd.) **K.SUNDARAM**
4. (Sd.) **K.GOVINDASWAMY**
5. (Sd.) **R.BEEMA NAIDU**
6. (Sd.) **S.M KUPPUSWAMY CHETTIAR**
7. (Sd.) **P.S PALLIKONDA AYYER**

Witnesses :

1. (Sd.) **P.S. VENKATACHALLAM IYER,** son of Sinnaswamy Iyer, Pappanaickenpalayampudur, Coimbatore.

2. (Sd.) **M.VENKATACHALAM,** son of Mahadeva Iyer, The Lakshmi Mills Co. Ltd., Coimbatore.