

Articles of Association

of

The State of Trading Corporation of India Limited

Article 1

- Interpretation Clause (1) In these Articles unless there be something repugnant in the subject matter or context :
- "The Company" (a) the "Company" means "The State Trading Corporation of India Limited"
- "The Act" (b) the "Act" means Companies Act, 1956.
- "The President" (c) the "President" means the President of India.
- "The Directors" (d) the "Directors" means the Directors for the time being of the Company.
- "The Chairman" (e) the "Chairman" means the Chairman of the Board of Directors for the time being of the Company.
- "Office" (f) the "Office" means the registered office for the time being of the Company.
- "Seal" (g) the "Seal" means the common seal of the Company.
- "The Board" (h) "Board of Directors or Board in relation to the Company means the Board of Directors of the Company.
- "Capital" (i) "Capital" means the capital for the time being raised or authorised to be raised for the purposes of the Company.
- "Dividend" (j) "Dividend" includes bonus.
- "Executive" or (k) "Executor" or "Administrator" means a person who has obtained Probate or letter of Administration, as the case may be, from some competent court.
- "Administrator" (1) "In writing" and "Written" include, printing lithography and other modes representing or reproducing words in a visible form.
- "In writing" and "Written"

- “Month” (m) “Month” means a calendar month.
- “Persons” (n) “Persons” includes Corporations and firms, as well as individuals.
- “Regulations” (o) “Regulations of the Company” means the regulations for the time being in force for the management of the Company.
- “Register” (p) “The Register” means, the register of members to be kept pursuant to the Act.
- “Expressions in Articles bear the same meaning as in the Act” (2) Unless the context otherwise requires, other words or expressions contained in these Articles shall bear the same meaning as in the Act.
- Singular includes Plural (3) Words importing the singular number include the plural number and vice versa.
- Masculine includes feminine (4) Words importing the masculine gender also include the feminine gender.
- Marginal notes and catch line (5) The marginal notes and catch lines hereto shall not affect the construction hereof.

Article 2 :

- Table ‘A’ not to apply (1) The regulations contained in Table ‘A’ in Schedule 1 to the Act shall not apply to the Company.
- (2) The regulations for the management of the Company and for the observance of the members thereof and their representatives shall subject to any exercise of the statutory powers of the Company in reference to the repeal or alteration of or addition to its regulations by special regulation as prescribed or permitted by the Act, be such as are contained in these Articles.

Article 3 :

Private Company **Deleted

SHARES

Article 4 :

Capital ****The capital of the company is Rs. 200,00,00,000* (Rupees Two Hundred crore) divided into 20,00,00,000 (Twenty crore) equity shares of Rs. 10 (Rupees ten) each. Provided that the Company may alter the conditions of its Memorandum so as to increase its share capital by such amount as it thinks expedient by issuing new shares in the manner prescribed in section 94 of the Act.

*****Article 5 :**

Allotment of shares The shares shall be under the control of the Board of Directors who may allot or otherwise dispose of them on such terms and conditions as it considers fit, subject to the provisions hereinafter contained. Provided that the option or right to call of shares shall not be given to any person or persons without the sanction of the Company in general meeting.

Article 6 :

Company not to recognise holding of share on trust or any equitable contingent, future, or partial interest in any share Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) 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 Articles or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

*Originally Rs. 1 crore which was raised as follows :

1958 - 59 to Rs. 5 crores

1970 - 71 - to Rs. 15 crores

1982 - 83 - to Rs. 30 crores

*Shares sub-divided from Rs. 100/- to Rs. 10/- as approved at the E.G. M. held on 31.01.92

** Deleted vide special resolution adopted at the E.G.M. held on 31.1.92

***As amended at the AGM held on 29.09.1992

****As amended at the AGM held on 26.09.2007

- * Article 7 :**
- Registered member entitled to share certificate within 3 months (1) Every person whose name is entered as a member In the register of members shall be entitled to receive within two months after allotment **or within one month of receipt of the application for registration** of transfer (or within such other period as the conditions of issue shall provide) :-
- (a) One or more share certificate in marketable lots for all his shares without payment; or
- (b) Several certificates, each for one or more of his shares, upon payment of one rupee for every certificate after the first.
- (2) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid up thereon.
- (3) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

Article 8 :

Renewal of share certificate on payment of fee If a share certificate is defaced, lost or destroyed, it may be renewed on payment of a fee of a fifty Ps. and on such terms, if any, as to evidence and indemnity and the payment of out-of-pocket expenses incurred by the Company in investigating evidence, as the directors think fit.

“Article 8(a)

Dematerialisation of Securities (1) Definitions: “Beneficial Owner” means a person whose name is recorded as such with a Depository.

“SEBI” means Securities and Exchange Board of India.

“Depositories Act” means the Depositories Act, 1996, including modifications of re-enactment thereof made from time to time.

“Bye-Laws” means bye-laws made by a Depository under Section 26 of the Depositories Act from time to time.

“Depository” means a Depository as defined under Clause(e) of Sub-Section(1) of Section 2 of the Depositories Act, 1996.

*As amended at the AGM held on 29.9.1992.

**As amended at the AGM held on 20.12.2001

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

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

“Record” includes the records maintained in the form of books or stored in computer or in such other form as may be determined by regulations made by the SEBI in relation to the Depositories Act.

“Regulations” means the regulations made by the SEBI.

“Security” means such Security as may be specified by the SEBI. Words imparting the singular number include the plural number and vice versa.

Words indicating persons include Corporations.

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

- (2) Company to recognize interest in dematerialised Securities under Depositories Act: Either the Company or the investor may exercise an option to issue, deal in, hold the Securities (including shares) with a Depository in electronic form and the certificates in respect thereof shall be dematerialised in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereof, shall be governed by the provisions of the Depositories Act, as amended from time to time or any statutory modification thereto or re-enactment thereof.
- (3) Dematerialisation of Securities: Notwithstanding anything to the contrary or inconsistent contained in these Articles, the Company shall be entitled to dematerialise its existing Securities, rematerialise its Securities held in the depositories and/or offer its fresh Securities in a dematerial form pursuant to the Depositories Act and the rules framed thereunder, if any.
- (4) Options to receive Security Certificates or hold Securities with Depository: Every person subscribing to or holding Securities of the Company shall have the option to receive Security Certificates or to hold the Securities with a Depository. If a person opts to hold

his Security with a Depository, the Company shall intimate such Depository the details of allotment of the Security, and on receipt of the information, the Depository shall enter in its record the name of the allottee as the Beneficial Owner of the Security.

- (5) Securities in Depositories to be in fungible form: All Securities held by a Depository shall be dematerialised and be in fungible form. Nothing contained in Section 153, 153(A), 153(8), 187(B), 187(C) and 372 of the Act shall apply to a Depository in respect of the Securities held by it on behalf of the Beneficial Owners.
- (6)(a) Rights of Depositories and Beneficial Owners: Notwithstanding anything to the contrary contained in the Act on these Articles, a Depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the Beneficial Owner.
- (6)(b) Save as otherwise provided in (a), the Depository as the registered owner of the Securities shall not have any voting rights in respect of the Securities held by it.
- (6)(c) Every person holding Securities of the company and whose name is entered as the Beneficial Owner in the records of the Depository shall be deemed to be a member of the Company. The Beneficial Owner of Securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his Securities, which are held by a Depository.
- (7) Beneficial Owner deemed as absolute owner: Except as ordered by a Court of competent jurisdiction or as required by law, the company shall be entitled to treat the person whose name appears on the Register or Members as the holder of any share or where the name appears as the Beneficial Owner of shares in the records of the Depository as the absolute owner thereof and accordingly shall not be bound to recognise any benami trust or equitable contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto in accordance with these Articles, on the part of any other person whether or not it has expressed or implied notice thereof, but the Board shall at their sole discretion have the right to register any share in the joint names of any two or more persons or the survivor or survivors of them.

- (8) Depository to furnish information: Every Depository shall furnish to the company information about the transfer of Securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by the bye-laws and the company in that behalf.
- (9) Cancellation of Certificates upon surrender by a person: Upon receipt of the Certificate of Securities on surrender by a person, who has entered into an agreement with the Depository through a Participant, the Company shall cancel such Certificate and substitute in its records the name of Depository as the registered owner in respect of the same Securities and shall also inform the Depository accordingly.
- (10) Option to opt out in respect of any Security: If a Beneficial Owner seeks to opt out of a Depository in respect of any Security the Beneficial Owner shall inform the Depository accordingly. The Depository shall on receipt of information as above make appropriate entries in its records and shall inform the Company. The Company shall, within thirty days of the receipt of intimation from the Depository and on fulfilment of such conditions and on payment of such fees as may be prescribed, issue the Certificate of Securities to the Beneficial Owner or the Transferee as the case may be.
- (11) Service of Documents: Notwithstanding anything contained in the Act or these Articles to the contrary, where Securities are held in a Depository, the records of the Beneficial Ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or disc.
- (12) Provisions of Articles to apply to shares held in Depository: Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in Depository in the same manner as they apply to shares held in physical form subject to provisions of the Depository Act.
- (13) Allotment of Securities dealt with a Depository: Notwithstanding anything in the Act or these Articles, where Securities are dealt with by a Depository, the Company shall intimate the details thereof to the Depository immediately on allotment of such Securities.

- (14) Distinctive number of Securities held in a Depository: The Shares in the capital shall be numbered progressively according to their several denominations, provided however, that the provision relating to progressive numbering shall not apply to the shares of the Company which are dematerialised or may be dematerialised in future or issued in future in dematerialised form. Except in the manner herein before mentioned, no shares shall be sub-divided. Every forfeited or surrendered share held in material form shall continue to bear the number by which the same was originally distinguished.
- (15) Register and Index of Members: The Company shall cause to be kept at its registered office or at such other place as may be decided, the Register and Index of Members in accordance with Sections 150 and 151 and other provisions of the Act with the details of shares held in physical and dematerialised forms in any media as may be permitted by law including any form of electronic media. The Register and Index of Beneficial Owners maintained by a Depository under Section 11 of the Depositories Act, 1996 shall also be deemed to be the Register & Index of Members, as the case may be, for the purpose of the Act. The Company shall have the power to keep in any state or country outside India, a Register of Members for the residents in that state or country.
- (16) Register of Transfer: The Company shall keep a Register of Transfers and shall have recorded therein fairly and distinctly particulars of every transfer or transmission of any share held in material form.
- (17) Overriding effect of this Article: Notwithstanding anything contrary to any other articles, the provisions of this Article shall be deemed to have overriding effect.

LIEN

***Article 9 :**

Company's lien paramount

The company shall have a first and paramount lien upon all the shares (other than fully paid up shares) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares and no equitable interest in any shares shall be created except upon the footing and conditions that

Article 6 hereof will have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares. Unless otherwise agreed the registration of a transfer of shares shall operate as a waiver of the company's lien if any on such shares. The Directors may at any time declare any shares wholly or in part to be exempt from the provisions of this clause.

- (b) on all shares (not being fully-paid shares) standing registered in the name of a single person, for all money presently payable by him or his estate to the company.

Provided that the Board of Directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

- (2) The Company's lien, if any, on a share shall extend to all dividends payable thereon.

Article 10:

Sale of shares on which company has a lien

The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien.

Provided that no sale shall be made—

- (a) unless a sum in respect of which the lien exists is presently payable, or
- (b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

Article 11:

Sale of shares on which the company has a lien.

- (1) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.
- (2) The purchaser shall be registered as the holder of the shares comprised in any such transfer.
- (3) The purchaser shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceeding in reference to the sale.

Article 12 :

Application of
proceeds of sale

- (1) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.
- (2) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

CALLS ON SHARES

Article 13 :

The Board may
make calls

- (1) The Board may, from time to time, make calls upon the members in respect of any moneys unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times.

The Directors
may extend time

Provided that no call shall exceed one fourth of 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. (Provided, however, that the Directors may from time to time, at their discretion extend the time fixed for the payment of any call and may extend such time to all or any of the members whom from residence at a distance or other cause, the Directors may deem entitled to such extension, but no member shall be entitled to such extension save as a matter of grace and favour).

Payment on call

- (2) Each member shall, subject to receiving at least fourteen days notice specifying the time or times and place of payment pay to the company, at the time or times and place so specified the amount called on his shares.

Discretion of Board
to revoke

- (3) A Call may be revoked or postponed at the discretion of the Board.

	Article 14 :	
Call when made		A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments.
	Article 15 :	
Joint and several liability on calls		The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
	Article 16 :	
Interest	(1)	If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at five per cent per annum or at such lower rate, if any, as the Board may determine.
Waiver of Interest	(2)	The Board shall be at liberty to waive payment of any such interest wholly or in part.
	Article 17 :	
Sum payable on allotment or at fixed date to be paid on due dates	(1)	Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
Interest on non-payment	(2)	In case of non-payment of such sum, all the relevant provisions of these regulations 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.
	*Article 18 :	
Voluntary advances of uncalled share capital	The Board — (a)	may, if it thinks fit, receive from any member willing to advance the same, all or any part of the moneys uncalled and unpaid upon any share held by him; and

*As amended at the AGM held on 29.9.1992.

Interest on advances of uncalled share capital

(b) upon all or any of the moneys so advanced may (until the same would, but for such advance, become presently payable) pay interests at such rate not exceeding, unless the company in general meeting shall otherwise direct, six per cent, per annum as may be agreed upon between the Board and the member paying the sum in advance, and the Directors may at any time, repay the amount so advanced upon giving to such member three months notice in writing.

“Moneys paid in advance of calls shall not in respect thereof confer a right to dividend or to participate in the profits of the Company.”

TRANSFER OF SHARES

Article 19:

The right of members to transfer their shares shall be restricted as follows:

Restriction on transfer of shares

- (a) The directors may, in their absolute and uncontrolled discretion, refuse to register any proposed transfer of shares, provided that registration of transfer of shares shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except a lien on the shares.
- (b) If the Directors refuse to register the transfer of any shares, they shall, within one month send to the transferee and the transferor notice of the refusal.
- (c) Save as herein otherwise provided, the Directors shall be entitled to treat the person whose name appears on the Register of Members as the holder of any shares as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or as by law required) be bound to recognise any benami trust or equity or equitable contingent or other claim to or interest in such share on the part of any person whether or not it shall have express or implied notice thereof.

Article 20:

Transfer to be executed(1) by both parties

The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.

Transferor deemed holder until registration (2) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

***Article 21:**

Form of transfer

The instrument of transfer shall be in writing and all the provisions of Section 108 of the Companies Act and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfers of shares and registration thereof.

Article 22:

Registration of transfer

Every instrument of transfer shall be left at the office for registration, accompanied by the certificate of the shares to be transferred, and such evidence as the Company may require to prove the title of the transferor, or his right to transfer the shares. All instrument of transfer shall be retained by the Company, but any instrument of transfer which the Directors may decline to register shall on demand, be returned to the person depositing the same.

Article 23:

Saving of transmission of shares by operation of Law

Nothing contained in Article 19 shall prejudice any power of the Company to register as share-holder any person to whom the right to any shares in the Company has been transmitted by operation of Law.

****Article 23(A)**

Nomination of Share Holder (i)

Every holder of shares or debentures or fixed deposits of the Company may at any time nominate in the manner prescribed under the Act, a person to whom his share or debentures or fixed deposits of the Company shall vest on the event of his death.

(ii)

Where the shares or debentures or fixed deposits of the Company are held by more than one person jointly, the Joint holders may together nominate, in the manner prescribed under the Act, a person to whom all rights in the shares or debentures or fixed deposits of the Company shall vest in the event of death of all Joint holders.

*As amended at the AGM held on 29.9.1992.

**As amended at the AGM held on 20.12.2001

***Article 24 :**

Instrument of transfer to be accompanied by share certificate

The Board may also decline to recognise any instrument of transfer unless the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer.

Article 25 :

Suspension of Registration

The registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine;

Time limit

Provided that such registration shall not be suspended for more than forty five days in any year.

Article 26 :

Fee on instruments

The company shall be entitled to charge a fee not exceeding two rupees on the registration of every probate, letters of administration, certificate of death or marriage, power of attorney, or other instrument.

TRANSMISSION OF SHARES

Article 27 :

Death of one or more joint holder of shares

- (1) On the death of a member, the survivor or survivors where the member was a joint holder, and his legal representatives where he was a sole holder, shall be the only person recognised by the company as having any title to his interest in the shares.
- (2) Nothing in clause (1) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

Registration of share (1)
on death or insolvency
of holder

Article 28 :

Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect either -

- (a) to be registered himself as holder of the share; or
- (b) to make such transfer of the share as the deceased or insolvent member could have made.

- (2) The Board shall, in either case, have the same right to decline or suspend registration as it would have had if the deceased or insolvent member had transferred the share before his death or insolvency.

Article 29 :

Notice by person
entitled to share on
death or insolvency
of holder

- (1) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.
- (2) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
- (3) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

Article 30 :

Right of person
entitled to share on
death of insolvency

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

Provided that the Board, may at any time, give notice requiring any such person to elect either to be registered himself or to transfer this share and if the notice is not complied with within ninety days the

Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the share, until the requirements of the notice have been complied with.

Article 31 :

Maximum aggregate period

The register of members or the register of debenture holders may be closed for any period or periods not exceeding in the aggregate 45 days in each year but not exceeding 30 days at any one time after giving not less than 7 days previous notice in terms of Section-154 of the Act by advertisement in some newspaper circulating in the district in which the registered office of the company is situated.

Article 32 :

Directors' right to refuse Registration on Transmission

The Directors shall have the same right to refuse to register a person entitled by transmission to any shares or his nominee, as if he were the transferee named in an ordinary transfer presented for registration.

Article 33 :

Powers of the President in regard to transfer or transmission of shares held by his nominee

So far as concerns any share held by any person as a nominee of the President, on the President requiring him to transfer any such share to the President or to any other person or persons nominated by the President or any such person becoming of unsound mind or becoming or, being adjudicated an insolvent, or dying, or on such person, being a company, being wound up voluntarily or by the court or subject to the supervision of the court, the following provisions shall take effect, namely :-

- (i) The President may at any time serve the Company with a requisition to enforce the transfer of any such share.
- (ii) The Company shall thereupon forthwith give to the holder of such share, or where the holder has become of unsound mind, to his committee or other guardian, or where the holder has become or been adjudicated an insolvent, to the assignee of his estate and effects or where the holder, is dead, to his heirs, or legal representatives, or where the holder, being a company, has been wound up as aforesaid to its liquidator, notice in writing of the requisition and unless within 14 days afterwards,

the holder or as the case may be, the committee or guardian or assignee or heirs or legal representatives of such holder, shall execute in favour of the President or of any person or persons nominated by the President, a proper transfer form in respect of such share and hand over the same alongwith the relative certificate in respect of such share to the President or any other person or persons nominated by him in that behalf may at any time thereafter execute a transfer in respect of such share for & on behalf of such holder or of his estate and the same shall be deemed to have been duly and properly executed for and on behalf of such holder or such holder of his estate, and thereupon the holder or his estate shall cease to have any interest whatsoever in such share and the certificate of such share if not handed over as aforesaid shall thereupon stand cancelled and be and become void and of no effect, and the Company shall be entitled thereafter to issue a new certificate in lieu thereof in favour of the President or of such person or persons as he may nominate.

FORFEITURE OF SHARE

Article 34 :

If a member fails to pay any call, or instalment of a call on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid togetherwith any interest which may have accrued.

Article 35 :

The notice aforesaid shall -

- (a) name a further day (riot being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and

If call or instalment not paid, notice to be given

Form of notice

- (b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made will be liable to be forfeited.

Article 36 :

Forfeiture of share
on default of payment

If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

Article 37 :

Disposal of forfeiture (1)
shares

A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

Power to annual (2)
forfeiture

At any time before a sale or disposal as aforesaid the Board may cancel the forfeiture on such terms as it thinks fit.

Article 38 :

Liability to pay money (1)
owing at the time of
forfeiture

A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall notwithstanding the forfeiture, remain liable to pay to the company all moneys, which at the date of forfeiture, were presently payable by him to the company in respect of the shares.

- (2) The liability of such persons shall cease if and when the company shall have received payment in full of all such moneys in respect of the share.

Article 39 :

Declaration of
forfeiture

- (1) A duly verified declaration in writing that the declarant is a Director, the Manager, the Secretary or the Treasurer of the company and that a share in the company has been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share.

- (2) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of.

- (3) The transferee shall thereupon be registered as the holder of the share.
- (4) The transferee shall not be bound to see to 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, sale or disposal of the share.

Article 40 :

Provisions regarding forfeiture to apply in the case of non-payment of sums payable at a fixed time

The provisions of these regulations as to forfeiture 2 shall apply in the case of non payment of any sum which, by the terms of issue of a share, becomes payment 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.

CONVERSION OF SHARES INTO STOCK

***Article 41 :**

Conversion of shares into stock and vice versa

The company may, by ordinary resolutions :-

- (a) Convert any paid-up shares into stock: and
- (b) reconvert any stock into paid up shares of any denomination

Article 42 :

Transfer of stock subject to same regulations as transfer of shares

The holder of stock may transfer the same or any part thereof in the same manner as and subject to the same regulations under which the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit :

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

*As amended at the AGM held on 29.9.1992.

Rights and privileges of holder of stock

Article 43 :

The holders of stock shall, according to the amount of stock held by them have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not if existing in shares, have conferred that privilege or advantage.

Regulations applicable to paid up share to apply to stock

Article 44 :

Such of the regulations of the company as are applicable to paid up shares shall apply to stock and the words "Share" and "Share-holder" in those regulations shall include "stock" and "stockholder" respectively.

ALTERATION OF CAPITAL

Increase of capital

***Article 45 :**

The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.

Issue of new shares

***Article 46 :**

New shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the general meeting resolving upon the creation thereof shall direct and if no direction be given as the Directors shall determine.

Provided that no shares shall be issued carrying voting rights or rights in the Company as to dividend capital or otherwise which are disproportionate to the rights attaching to the holders of other shares.

*As amended at the AGM held on 29.9.1992.

Same as original capital

Article 47 :

Except so far as otherwise provided by the conditions of issue, or by these Articles, any capital raised by the creation of new shares shall be considered part of the original capital and shall be subject to the provisions herein contained with reference to the payment of calls and instalments, transfer and transmission, lien, voting surrender and otherwise.

Offer of new shares to existing members

***Article 48 :**

The new shares shall be offered to the persons who at the date of the offer are holders of the Equity Shares of the company, in proportion as nearly as circumstances admit to the capital paid up on these shares at that date and such offer shall be made by notice specifying the number of shares to which the member is entitled and limiting a time within which the offer, if not accepted, will be deemed to be declined, and after the expiration of such time or on receipt of an intimation from the member to whom such notice is given that he declines to accept the shares offered, the Directors may dispose of the same in such manner as they think most beneficial to the Company.

Sub-division and consolidation of shares

***Article 49 :**

The company in general meeting may, from time to time, subdivide or consolidate its shares or any of them and exercise any of the other powers conferred by Section 94 of the Act and shall file with the Registrar such notice of exercise of any such powers as may be required by the Act.

Reduction of capital Power to Borrow

***Article 50 :**

The Company may by special resolution, reduce in any manner and with, and subject to any incident authorised and consent required by law.

- (a) its share capital.
- (b) any capital redemption reserve fund; or
- (c) any share premium account.

BORROWING POWERS

Article 51 :

The Directors may from time to time at their discretion raise or borrow or secure the payment of any sum or sums of money for the purposes of the Company.

*As amended at the AGM held on 29.9.1992.

Conditions on which money may be borrowed

Article 52 :

The Directors may raise or secure the payment or repayment of such sum or sums in such manner and upon such terms and conditions in all respects as they think fit and in particular, by the issue of debentures or debenture stock of the Company charged upon all or any part of the property of the company, both present and future, including its uncalled capital for the time being.

Securities assignable free from equities

Article 53 :

The Debentures, debenture stock and other securities may be made assignable free from any equities between the company and the persons to whom the same may be issued.

Issue at a discount or with special privileges

***Article 54 :**

Subject to section 117 of the Act any debentures, debenture stock, bonds or other securities may be issued at a discount, premium or otherwise and with any special privileges as to redemption, surrender, drawing, allotment of shares attending general meeting of the company, appointment of Directors and otherwise. Debentures, Debenture-stock, Bonds or other Securities with the right to allotment of or conversion into shares shall be issued only with the consent of the company in General Meeting.

When uncalled capital is charged subsequent charges to be subject to the prior charge

Article 55 :

Whenever any uncalled capital of the Company is charged all persons taking any subsequent charge thereon shall take the same subject to such prior charge and shall not be entitled by notice to the shareholders or otherwise, to obtain priority over such prior charge.

Indemnity may be given

Article 56 :

If the Directors or any of them or any other person shall become personally liable for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or persons so becoming liable as aforesaid from any loss in respect of such liability.

GENERAL MEETINGS

Article 57 :

Extra-ordinary General Meeting

All general meetings other than annual general meetings shall be called extra-ordinary general meetings.

Article 58 :

Convening of extra ordinary General Meeting

The Directors may, whenever they think fit and they shall, on the requisition of the holders of not less than one-tenth of the issued capital on which all calls or other sums then due have been paid and as at that date carries the right of voting in the matter forthwith proceed to convene an extraordinary meeting of the Company, and in the case of such requisition the following provisions shall have effect :

- (1) The requisition must state the objects of the meeting and must be signed by the requisitionists and deposited at the Office and may consist of several documents in like form each signed by one or more requisitionists. In case of joint holders of shares all such holders shall sign the requisition.
- (2) If the Directors of the Company do not proceed within twentyone days from the date of requisition being so deposited to cause a meeting to be called for the consideration of these matters on a day not later than forty-five days from the date of the deposit of the requisition the requisitionists or a majority of them in value may themselves convene the meeting but any meeting so convened shall be held within three months from the date of the deposit of the requisition.
- (3) Any meeting convened under this Article by the requisitionists shall be convened in the same manner as nearly as possible as that in which meetings are to be convened by the Directors. If, after a requisition has been received, it is not possible for a sufficient number of Directors to meet in time so as to form a quorum, any Director may convene an extra-ordinary general meeting in the same manner as nearly as possible as that in which meeting may be convened by the Directors.

Notice of meeting

Article 59 :

Subject to the provisions relating to special resolutions herein-after contained, atleast four clear days notice

in writing specifying the place, day and hour of meeting, with a statement of the business to be transacted at the meeting shall be served on every member in the manner hereinafter provided, but with the consent in writing of all the members entitled to receive notice of same, any particular meeting may be convened by such shorter notice and in such manner as those members may think fit.

Provided, however that where any resolution is intended to be passed as a special resolution at any general meeting as required by Section 189 (2) of the Act, not less than 21 days notice of such meeting specifying the intention to propose the resolution as a special resolution shall be served. Provided further that if all the members entitled to attend and vote at such meeting so agree, a resolution may be proposed and passed as a special resolution at a meeting of which less than 21 days notice has been given.

Omission to give notice not to invalidate resolution

Article 60 :

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

Business of ordinary meeting

Article 61 :

The business of an ordinary meeting shall be to receive and consider the profit and loss account, the balance sheet, and the report of the Directors and of the Auditors, to declare dividends and to transact any other business which under these Articles ought to be transacted at an ordinary meeting.

All other business transacted at an ordinary meeting and all business transacted at an extra-ordinary meeting, shall be deemed special.

PROCEEDINGS AT GENERAL MEETING

Article 62 :

(1) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

* (2) Save as herein otherwise provided five members present in person shall be a quorum

Chairman of General Meeting

Article 63 :

The Chairman of the Board shall preside as Chairman at every general meeting of the company.

Election of Director in the absence of Chairman

Article 64 :

If the Chairman is not present within fifteen minutes after the time appointed for holding the meeting, the Directors present shall elect one of their members to be Chairman of the meeting.

Proceedings in absence of quorum

Article 65 :

If within half an hour from the time appointed for the meeting a quorum is not present, the meeting convened upon such requisition as aforesaid, shall be dissolved; but 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 such other time and place as the Board may by notice to the share holders determine and if at such adjourned meeting a quorum is not present those members who are present shall be a quorum and may transact the business for which the meeting was called.

Adjournment

Article 66 :

(1) The Chairman may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.

Business at adjourned meeting

- (2) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (3) 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.
- (4) 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.

Article 67 :

- Decision in the first instance by show of hands (a) Every question submitted to a meeting shall be decided in the first instance by a show of hands. In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place, or at which the poll is demanded shall be entitled to a second or casting vote.
- Evidence of resolution where poll not demanded (b) At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless a poll is, before or on the declaration of the result of the show of hands, demanded by a member present in person or proxy or by duly authorised representative, and unless a poll is so demanded a declaration by the Chairman that a resolution has, on a show of hands been carried or carried unanimously or by a particular majority or lost and an entry to that effect in the book of proceedings of the Company, shall be conclusive evidence of the fact, without proof of the number or proportion of the vote recorded in favour of or against that resolution.
- Manner of taking poll and result thereof (c) If a poll is duly demanded, it shall be taken in such manner and such time and place as the Chairman of the meeting direct, and either at once, or after an interval or adjournment or otherwise, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand of a poll may be withdrawn.
- Poll demanded to be taken at the meeting (d) Subject to the provisions of Section 180 of the Act. any poll duly demanded on the election of a Chairman of a meeting or on any question of adjournment shall be taken at the meeting and without adjournment.
- Chairman to be the sole judge (e) The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.
- Member not personally present to vote on show of hands (f) No member not personally present shall be entitled to vote on a show of hands.

Passing of Resolution
by Postal Ballot:

***Article 67(A)**

Subject to the provisions of the Companies (Passing of Resolution by Postal Ballot) Rules, 2001 including any amendments thereof, every Member shall have the right to vote through postal ballot on resolutions pertaining to any business which is permitted to be passed through postal ballot under the said rules, as per the procedure laid down thereunder.

Demand for poll not
to prevent transaction
of other business

Article 68 :

Any business other than that upon which a poll has been demanded may be proceeded with pending the taking of the polls.

Right of the President (1)
to appoint any person
as his representative

Article 69:

The President, so long as he is a share holder of the Company may from time to time, appoint one or more persons (who need not be a member or members of the Company) to represent him at all or any meetings of the Company.

- (2) Only one of the persons appointed under sub-clause (1) of this Article who is personally present at the meeting shall be deemed to be a member entitled to vote and be present in person and shall be entitled to represent the President at all or any such meetings and to vote on his behalf whether on a show of hands or on a poll.
- (3) The President may, from time to time cancel any appointment made under sub-clause (1) of this Article and make fresh appointments.
- (4) The production at the meeting of an order of the President evidenced as provided in the Constitution of India shall be accepted by the Company as sufficient evidence of any such appointment or cancellation as aforesaid.
- (5) Any person appointed by the President under this Article may if so authorised by such order, appoint a proxy, whether specially or generally.

VOTES OF MEMBERS

Votes

Article 70:

- (a) On a show of hands, every member present in person shall have one vote; and
- (b) On a poll, the voting rights of members shall be as laid down in section 87 of the Act.

*As amended at the AGM held on 29.9.1992.

Voting by joint holders

Article 71 :

In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of votes of other joint-holders.

For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

Notice by person entitled to any shares by transmission

Article 72 :

Any person entitled under the transmission clause to any shares may vote at any 'general meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that seventy two hours at least before the time of holding the meeting or adjourned meeting as the case may be at which he proposes to vote, he shall satisfy the directors of his right to such shares, unless the Directors shall have previously admitted his right to such shares or his right to vote at such meeting in respect thereof.

Voting in the case of members of unsound mind

Article 73 :

A member of unsound mind or in respect of whom an order has been made by any Court having Jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.

No member to vote unless calls are paid up

Article 74

No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.

Objection to vote

(1)

Article 75 :

No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered and every vote not disallowed at such meeting shall be valid for all purposes.

Chairman to judge validity

(2)

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

Appointment and qualification of proxy or attorney

Article 76 :

A member entitled to attend and vote at a meeting may appoint another person (whether a member or not) as his proxy to attend a meeting and vote on a poll. No member shall appoint more than one proxy to attend on the same occasion. A proxy shall not be entitled to speak at a meeting or to vote except on a poll. The instrument appointing a proxy shall be in writing and be signed by the appointer or his attorney duly authorised in writing or if the appointer is a body corporate, be under its seal or be signed by an officer or an attorney duly authorised by it.

Deposit of Instrument of appointment

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

Form of proxy

Article 77 :

An instrument appointing a proxy shall be in either of the forms in schedule IX to the Act or a form as near thereto as circumstances admit.

Vote of proxy not invalid if notice of revocation not received

Article 78 :

A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given :-

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

BOARD OF DIRECTORS

****Article 79**

- Number of Directorss (1) Subject to the provisions of Section 252 of the Act, the President shall, from time to time, determine in writing the number of Directors of the Company which shall not be more than 16** and less than 4. The Directors are not required to hold any qualification shares.

***Article 79 (2)**

Appiontment of Chairman, Directors, their number, remuneration etc.

- (a) Not less than two-thirds of the total number of Directors of the Company shall be persons whose period of office shall be liable to determination by retirement of Directors by rotation and save as otherwise expressly provided in the Act, be appointed by the Company in General Meeting, At every Annual General Meeting of the Company, 1/3rd of such Directors for the time being as are liable to retire by rotation or if their number is not three or multiple of three, then the number nearest to 1/3rd, shall retire from office. At the Annual General Meeting at which a Director retires, as aforesaid, the Company may fill up the vacancy by appointing the retiring Director or some other person thereto. The Chairman & Managing Director shall not be subject to retirement under this clause.
- (b) The President shall appoint any member of the Board as Chairman & Managing Director on such terms & conditions, remuneration and tenure as the President may from time to time determine.
- (c) The President shall appoint any member /members of the Board as functional Directors, on whole-time basis on such terms & conditions, remuneration and tenure as the President may, from time to time, determine.

*As amended at the AGM held on 30.09.93

**As amended at the EGM held on 20.03.06

***Article 79 (3)**

REMOVAL OF DIRECTORS

The President shall have the power to remove any Director including the Chairman and Managing Director from office at any time in his absolute discretion.

***Article 79 (4)**

FILLING OF ANY VACANCY

- a) The President shall have the right to nominate any person for appointment as a Director of the Company.
- b) Subject to the provisions of the Act and prior approval of the President, the Board of Directors shall have the power, at any time, and from time to time to appoint any person to be a Director, either as an additional Director or to fill any casual vacancy in the Board so that the total number of Directors shall not at any time exceed the maximum limit fixed. Any person so appointed as a Director shall retain his office only upto the date of the next Annual General Meeting, but shall be eligible for appointment by the Company at that meeting as a Director.

Directors vacating
Office

- (5) The office of a Director shall be vacated if :
 - (a) he is found to be of unsound mind by a court of a competent jurisdiction;
 - (b) he applied to be adjudicated an insolvent;
 - (c) he is adjudged an insolvent;
 - (d) he is convicted by a court in India of any offence and is sentenced in respect thereof to imprisonment for not less than six months;
 - (e) he absents himself from three consecutive meetings of the Board of Directors or from all meetings of the Board for a continuous period of three months, whichever is longer, without obtaining leave of absence from the Board.

- (f) he or any firm in which he is a partner or any private company of which he is director, accepts a loan or any guarantee or security for a loan, from the Company in contravention of Section 295 of the Act:
- (g) he fails to disclose the nature of his concern or interest in any contract or arrangement, or proposed contract or arrangement, entered into or to be entered into by or on behalf of the Company as required under Section 299 of the Act.
- (h) he becomes disqualified by an order of Court under Section 203 of the Act.
- (i) he is removed in pursuance of Section 284 of the Act;
- (j) he is concerned or participates in the profits of any contract with the company; PROVIDED, however, no director shall vacate his office by reason of his becoming a member of any company which has entered into contract with or done any work for the company of which he is Director, but a Director shall not vote in respect of any such contract or work and if he does so vote, his vote shall not be counted.

Disqualifications referred to in sub-clause (c), (d) and (h) above shall not take effect :-

- (a) for thirty days from the date of adjudication, sentence or order :
- (b) where any appeal or petition is preferred within the thirty days aforesaid against the adjudication, sentence or conviction resulting in the sentence or order, until the expiry of seven days from the date on which such appeal or petition is disposed of, or
- (c) where within the seven days aforesaid, any further appeal or petition is preferred in respect of the adjudication, sentence, conviction, or order and the appeal or petition, if allowed, would result in the removal or the disqualification, until such further appeal or petition is disposed of.

Alternate Director

- (6) In place of a Director who is out of India or is about to go out of India or who expects to be absent for not less than three months from the State in which meetings of the Directors are ordinarily held, the Board may appoint with the prior approval of the President any

person to be an Alternate Director during his absence out of India or his absence of not less than three months from the State in which the meetings of the Directors are ordinarily held and such appointment shall have effect, and such appointee whilst he holds office as an Alternate Director shall be entitled to notice of meetings of the Directors and shall ipso facto vacate office if and when the original director returns to India or the State or vacates office as a Director.

Appointment of Director (7)
as Chairman, Managing
Director or Executive
Director

Deleted

(As amended at the AGM held on 30.9.93)

Power of Managing
Director

(8)

The Board may from time to time entrust to and confer upon the Chairman/Managing Director, Directors, General Manager or Managers and Financial Adviser and Chief Accounts Officer, for the time being such of the powers exercisable under these Articles by the Board of Directors as it may think fit may confer such powers for such time and to be exercised for such object and purpose and upon such terms & conditions & with such restrictions as it may think expedient, and it may confer such powers either collaterally with or to the exclusion of and in substitution for all or any of the powers of the Directors in that behalf, and may from time to time, revoke, withdraw, alter or vary all or any of such powers.

General Powers of the
Company vested in
the Board

Article 80 :

The business of the company shall be managed by the Board who may exercise all such powers of the Company as are not, by the companies Act, 1956, or any statutory modification thereof for the time being in force or by these Articles, required to be exercised by the Company in general meetings, subject nevertheless to the provisions of these Articles, too the provisions of the said Act and the directives if any, the President may issue from time to time and to such regulations being not inconsistent with the aforesaid provisions as may be prescribed by the Company in general meeting but no regulation made by the company in general meeting shall invalidate any prior act of the Directors, which would have been valid if that regulation had not been made.

Article 81 :

Specific Powers given to Directors

Without prejudice to the general powers conferred by the last preceding Article, and the other powers conferred by these Articles, the Directors shall have the following powers, that is to say powers.

To acquire property (1)

To acquire property to purchase, take on lease or otherwise acquire for the Company, property, rights or privileges which the Company is authorised to acquire at such price, and generally on such terms and conditions as they think fit.

Work of capital nature (2)

Works of capital nature-to authorise the undertaking of works of capital nature and the acquisition of capital assets of an immovable nature which are related thereto subject to the condition that all cases involving capital expenditure exceeding *Rs. 5 crores shall be referred to the President for his approval before authorisation, provided that funds required for such capital works not exceeding Rs. 5 crores are provided in the capital budget approved by the Board and, where required, approved by the Govt. after consideration by the Board, and provided further that no capital expenditure on items involving policy matters, where specific Govt. approval is needed be incurred without prior approval of the govt.

To pay for property in debentures etc. (3)

To pay for property in debentures, etc., to pay for any property rights or privileges acquired by or services rendered to the company either wholly or partially in cash or in shares, bonds, debentures or other securities of the company and such shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon: and any such bond, debentures or other securities may be either specifically charged upon all or any part of the property of the company and its uncalled capital or not so charged.

*Originally Rs. 20 Lakhs which was raised as follows :
1982-83-to Rs. 2 crores
1986-87-to Rs. 5 crores

- To secure contracts by mortgage (4) To secure contracts by mortgage-subject to the provision of Section 292 of the Act to secure the fulfilment of any contracts or engagements entered into by the company by mortgage or charge or all or any of the property of the Company and its uncalled capital for the time being or in such other manner as they may think fit.
- To create posts and to appoint officers etc (5) To create posts and to appoint officers etc-To create posts below the Board level irrespective of pay and to make appointments and at their discretion to censure, with-hold increments or promotions, recover from pay the whole or part of pecuniary loss caused to the Corporation by negligence or breach of orders, to reduce to a lower grade or post or to a lower time scale or to a lower stage in the same scale, to remove from service which shall not be a disqualification for future employment or to suspend or to dismiss from service which shall ordinarily be a disqualification for future employment such secretaries, officers, clerks, agents and servants for permanent, temporary or special services, as they may, from time to time, think fit and to determine their power and duties and fix their salaries or emoluments, and to require security in such instances and of amount as they think fit. Provided that no appointment of any person whether from the public or private sector, who has attained the age of 58 years shall be made except with the prior approval of the President if his pay including pension and pensionary equivalent of retirement benefits exceed Rs. 2500/- p.m. Provided that power for appointment of General Managers of Constituent Units shall always vest with the Board of Directors and while making selections of such General Managers, the procedure laid down by Bureau of public enterprises in this regard shall always be followed.
- To appoint trustees (6) To appoint trustees-to appoint any person or persons (whether incorporated or not) to accept and hold in trust for the company, any property belonging to the Company or in which it is interested or for any other purposes, and to execute and do all such deeds and things as may be requisite in relation to any such trust and to provide for the remuneration of such trustee or trustees.
- *Provided further the Board shall not create post(s) below the Board level on the scales of pay equivalent to those on the Board level.

- | | | |
|--------------------------------------|-------|--|
| To bring and defend action, etc. | (7) | To bring and defend action, etc.-to institute, conduct, defend, compound, or abandon any legal proceedings by or against the Company or its officers, or otherwise concerning the affairs of the Company and also to compound and allow time for payment or satisfaction of any claims or demands by or against the Company. |
| To refer to arbitration | (8) | To refer to arbitration-to refer any claims or demands by or against the Company to arbitration; and observe and perform the awards. |
| To give receipt | (9) | To give receipt-to make and give receipts, releases and other discharges for money payable to the company, and for the claims and demands of the Company. |
| To authorise acceptance etc. | (10) | To authorise acceptance, etc.-to determine who shall be entitled to sign on the Company's behalf bills, notes, receipts, acceptances, endorsements, cheques, releases, contracts and documents. |
| To appoint attorneys | (11) | To appoint attorneys-from time to time, to provide for the management of the affairs of the Company in such manner as they think fit, and in particular to appoint any person to be the attorneys or agents of the Company with such powers (including power to sub-delegate) and upon such terms as may be thought fit. |
| To invest money | *(12) | To invest money subject to the provisions of Section 292 of the Act to invest in the Reserve Bank of India or in such securities as may be approved by the Board and deal with any of the money of the Company upon such investments authorised by the Memorandum of Association of the Company (not being shares in this Company) and in, such manner as they think fit, and from time to time vary or realise such investment. |
| To give security by way of indemnity | (13) | To give security by way of indemnity- to execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability for the benefit of the Company such mortgages of the Company's property (present and future) as they think fit, and any such mortgage may contain a power of sale & such other powers, covenants and provisions as shall be agreed on. |

*As amended at the AGM held on 29.9.1992.

- To give percentage (14) To give percentage-subject to approval of the President to give to any person employed by the Company a commission on the profits of any particular business transaction, or a share in the general profits shall be treated as part of the working expenses of the Company.
- To give bonus (15) To give bonus-to give, award or allow any bonus, pension, gratuity or compensation to any employee of the Company or his widow, children or dependents, that may appear to the Directors just or proper, whether such employee, his widow, children or dependents have or have not a legal claim upon the company.
- To make byelaws (16) To make bye laws-from time to time, to make, vary and repeal bye-laws for the regulations of the business of the Company its officers and servants;
- To create Provident Fund (17) To create Provident Fund-before declaring any dividend and subject to the approval of the President to set aside such portion of profits of the Company as they may think fit, to form a fund to provide for such pension, gratuities or compensation, or to create any provident or benefit fund in such manner as the Directors may deem fit.
- To establish local Board (18) To establish Local Board from time to time and at any time to establish any Local Board for managing any of the affairs of the Company in any specified locality in India, or out of India, and to appoint any persons to be members of such local Board and to fix their remuneration and from time to time and at any time to delegate to any person so appointed any of the powers, authorities, and discretion for the time being vested in the Directors other than their power to make call; and to authorise the members for the time being of any such local Board or any of them to fill up any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be made in such terms, and subject to such condition as the Directors may think fit and the Directors may at any time remove any person so appointed and may annul or vary any such delegation.
- To make contracts etc.(19) To make contracts, etc, to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company; and

To sub-delegate powers	(20) To sub-delegate powers-subject to Section 292 of the Act to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them subject, however, to the ultimate control and authority being retained by them.
Remuneration of the Directors	<p>Article 82 :</p> <p>(1) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day to day.</p> <p>(2) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them.</p> <p>(a) In attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the Company; or.</p> <p>(b) In connection with the business of the company.</p>
Registration expenses	<p>Article 83 :</p> <p>The Board may pay all expenses incurred in getting up and registering the company.</p>
Use of official seal abroad	<p>Article 84 :</p> <p>The company may exercise the powers conferred by section 50 of the Act, with regard to having an official seal for use abroad and such powers shall be vested in the Board.</p>
Drawing and accepting negotiable Instruments	<p>Article 85 :</p> <p>All cheques, promissory notes, drafts, hundis, 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, by such person and in such manner as the Board shall from time to time by resolution determine.</p>
Acquittance Register	<p>Article 86 :</p> <p>Every Director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.</p>

PROCEEDINGS OF BOARD

Article 87 :

- Board may regulate its meetings (1) The Board of Directors may meet for despatch of a business, adjourn and otherwise regulate its meetings, as it thinks fit.
- Secretary to summon meetings (2) A director may, and the Secretary on the requisition of a director shall, at any time, summon a meeting of the Board.
- (3) The Directors may determine the quorum necessary for the transaction of business. Until otherwise determined one-third of the total strength of Directors (any fraction contained in that one-third being rounded off as one) or two Directors whichever is higher shall be quorum.
- Quorum competent to exercise all powers (4) A meeting of the Directors for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, power and discretion by or under the Articles of the Company for the time being vested in or exercisable by the Directors generally.
- (5) The Chairman shall reserve for the decision of the President any proposals or decisions which in his opinion should be so reserved.
- (6) Without prejudice to the generality of the above provisions, the Chairman shall reserve for the decision of the Central Government :
- (i) Any programme of capital expenditure exceeding *Rs. 5 crores;
- (ii) Creation of reserve and special funds;
- (iii) Sale, lease or disposal otherwise of the whole or substantially the whole, of the undertaking of the Company;
- (iv) Formation of a subsidiary company;
- “Originally Rs. 20 lakhs which was raised as follows :
- 1982 - 83 - to Rs. 2 crores
- 1986 - 87 - to Rs. 5 crores

- (v) Division of capital into different classes of shares: and
- (vi) Winding up of the Company;

Article 88 :

Minute book

The Directors shall cause minutes to be made in books provided for the purpose;

- (a) of all appointments of officers made by the Directors, or of any Committees of 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 the 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;
- (d) In the case of each resolution passed at the Meeting the names of the Directors, if any, dissenting from or not concurring in the resolution.

Article 89 :

Decision by majority votes

- (1) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

Casting vote of Chairman

- (2) In case of an equality of votes, the Chairman of the Board, if any, shall have a second or casting vote.

Article 90 :

Procedure in the absence of Chairman

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

Article 91 :

Delegation to Committees

- (1) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.

Committee to conform to regulations (2)

Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

- (3) The proceedings of such a Committee should be placed before the Board of Directors at its next meeting.

Article 92 :

- Election of Chairman of the Committee (1) A committee may elect a Chairman of its meetings.
(2) If no such chairman is elected or if at any meeting the Chairman is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be chairman of the meeting.

Article 93 :

- Committee to regulate its meetings (1) A committee may meet and adjourn as it thinks proper.
(2) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present and in case of an equality of votes, the Chairman shall have a second or casting vote.
Decision by majority vote

Article 94 :

Acts of Board or Committee not invalidated by want of some formalities

All acts done by any meeting of the Board or of a committee thereof or by any person acting as director, shall notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or any persons acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.

Article 95 :

Resolution of Board or Committee signed by all members valid

Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a Committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be as valid and effectual as if it had been passed at a meeting of the Board or committee duly convened and held.

SECRETARY

Article 96 :

Appointment of Secretary

- (1) A Secretary may be appointed by the Board for such time at such remuneration and upon such conditions as it may think fit: and any secretary so appointed may be removed by the Board.

- (2) A Director may be appointed as Secretary.

Article 97 :

A provision of the Act or these articles requiring or authorising a thing to be done by or to a director and the manager or secretary shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of the manager or secretary.

THE SEAL

Article 98 :

Custody of the Seal (1) The Board shall provide for the safe custody of the seal.

Procedure for affixation(2)
of the Seal The seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the board authorised by it in that behalf, and except in the presence of at least one Divisional Manager to be nominated by the Committee and the Secretary or such other person as the Board may appoint for the purpose and that Divisional Manager and the Secretary or such other person as aforesaid shall sign every instrument to which the seal of the Company is so affixed in their presence.

DIVIDENDS AND RESERVE

Article 99 :

Declaration of dividends The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

Article 100 :

Interim dividends The Board may from time to time pay to the member such interim dividends as appear to it to be justified by the profits of the Company.

Article 101 :

Creation of Reserve Fund out of profits *(1) The Directors may before recommending any dividend, set aside out of the profits of the Company such sums as they think proper as a reserve fund, to meet contingencies or for equalising dividends, or for special dividends, or for repairing, improving and maintaining any of the property of the Company

*As amended at the AGM held on 29.9.1992.

and for amortisation of capital and for such other purposes 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; 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 funds into such special funds, as they think fit, and employ the reserve funds, or any part thereof in the business of the Company and that without being bound to keep the same separate from the other assets.

- (2) The Board may also carry forward any profit which it may think prudent not to divide, without setting them aside as a reserve.

Article 102 :

Payments of dividends (1) All dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect thereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to amounts of the shares.

- (2) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.

Article 103 :

Recoveries from dividends

The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.

Article 104 :

Payment of dividends from specific assets (1)

Any general meeting declaring a dividend or bonus may direct payment of such dividend or bonus, wholly or partly, by the distribution of specific assets; and the Board shall give effect to the resolution of the meeting.

Issue of fractional certificate and valuation of specific assets (2)

Where any difficulty arises in regard to such distribution, the Board may settle the same as it thinks 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 Board.

Dividends may be paid by cheques or warrant payable to order

- Article 105 :**
- (1) An dividend, interest or other moneys payable in cash in respect of shares may be paid by cheques or warrant sent through the post directed to the registered address of the holder or in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.
 - (2) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

Effectual receipts by joint holders

Article 106 :
Any one of two or more joint holders of a share may give effectual receipts for any dividends, bonuses or other moneys payable in respect of such share.

Notice of Dividend to be given

Article 107 :
Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

Dividends to be paid only out of profits

Article 108 :
No dividend shall bear interest against the Company, No dividend shall be payable otherwise than out of the profits of the year or other period or any other undistributed profits of the company. The declaration of the Directors as to the amount of the net profits of the Company shall be conclusive.

Set off of dividend against calls

Article 109 :
Any general meeting declaring a dividend may make a call on the members of such amount as the meeting fixes but the call on each member shall not exceed the dividends payable to him, and the call be made payable at the same time as the dividend, and the dividend may if so arranged between the company and the members, be set off against the call. The making of a call under this clause shall be deemed ordinary business of an ordinary general meeting which declares a dividend.

Article 110 :

Dividend subsequent to transfer of share

A transfer of shares shall not pass the right to any dividend declared thereon after transfer and before the registration of the transfer.

Article 111 :

Retention of dividends on transmission of share

The Directors may retain the dividends payable upon shares in respect of which any person is under the transmission clause entitled to become a member, or which any person under that clause is entitled to transfer, until such person shall become a member in respect of such shares or shall duly transfer the same.

***Article 112 :**

Investment of unclaimed dividends

No unclaimed dividend shall be forfeited by the Board unless the claim thereto becomes barred by the law and the company shall comply with all the provisions of Section 205-A of the Act in respect of all unclaimed or unpaid dividend.

ACCOUNTS

Article 113 :

Inspection of account books by members (1)

The Board shall from time to time determine whether and to what extent and what times and places and under what conditions or regulations, the account and books of the Company or any of them, shall be open to the inspection of members not being directors.

(2) No member (not being a director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorised by the Board or by the company in general meetings.

*As amended at the AGM held on 29.9.1992.

Annual account and
balance sheet

Article 114 :

Subject to the provisions of section 210 of the Companies Act 1956 the directors shall, at some date, not later than 18 months after the incorporation of the Company and subsequently once atleast in every Calender year lay before the Company in annual general meeting a balance sheet and profits and loss account, in the case of the first account since the incorporation of the company and in any other case since the preceding account made upto a date not earlier than the date of the meeting by more than six months.

Annual report of
directors

Article 115 :

The Directors shall in accordance with Section 217 of the Act make out and attach to every balance sheet a report with respect to the state of the Company's affairs the amount, if any, which they recommend should be paid byway of dividend and the amount, if any, which they propose to carry to the reserve Fund, General Reserve of Reserve Account shown specifically on the balance sheet or to a Reserve Fund, General Reserve or Reserve Account to be shown specifically in a subsequent balance sheet. The report shall be signed by the chairman of the Board of Directors if authorised in that behalf by the Directors and when he is not so authorised shall be signed by such number of Directors as are required to sign the balance sheet & the Profit and Loss Account by virtue of subsection (1) and (2) of Section 215 of the Act.

Particulars of profit
and loss account

Article 116:

Forms of Balance Sheets and Profit and Loss Account should be in accordance with the Provision of Section 211 of the Act. The Profit and Loss Account shall in addition to the matters referred to in Section 211 of the Act, be arranged to show under the most convenient heads the amount of gross income, distinguishing the several sources from which it has been derived, and the amount of gross expenditure, distinguishing the expenses of the establishment, salaries and other like matters. Every item of expenditure fairly chargeable against the years income shall be brought into account so that a just balance of profit and loss may be laid before the meeting, and in cases where any item of expenditure which may in fairness be distributed over several years has been incurred in any one year, the whole amount of such item shall be stated, with the addition of the reasons why only a portion of such expenditure is charged against the income of the year.

Balance sheet and other documents to be sent to the address of every member

Article 117 :

The company shall send a copy of such balance sheet and profit and loss account together with a copy of the auditor's report to the registered address of every member of the company in the manner in which notices are to be given hereunder atleast twenty-one days before the meeting, at which it is to be laid before the members of the Company and shall deposit a copy at the Registered office of the Company for inspection of the members of the Company during a period of atleast 21 days before that meeting.

Directors to comply with sections 209 to 222 of the Act

Article 118 :

The Directors shall in all respects comply with the provisions of Section 209 to 222 of the Act, or any statutory modification thereof for the time being in force as may be applicable to the Company.

Audit atleast once in a year

Article 119 :

Once atleast in every year the accounts of the Company shall be examined and the correctness of the profit and loss account and balance sheet ascertained by one or more auditors as provided in the Act.

Appointment of Auditors

Article 120 :

The Auditor or Auditors of the Company shall be appointed or reappointed by the Central Government on the advice of the Comptroller and Auditor General of India and his/their rights and duties shall be regulated by Sections 224 to 233 read with Section 619 of the Act.

Notice to Auditors to attend general meeting

Article 121

The auditors of the Company shall be entitled to receive notice of and to attend any general meeting of the Company at which any accounts which have been examined or reported on by them are to be laid before the Company and may make any statement or explanation they desire with respect to the accounts.

Powers of the
Comptroller &
Auditors General

- Article 122 :**
The Comptroller and Auditor General of India shall have power:
- (a) to direct the manner in which the Company's accounts shall be audited by the auditor/auditors appointed in pursuance of Article 120 hereof and to give such auditor/auditors instructions in regard to any matter relating to the performance of his/their functions as such ;
 - (b) to conduct a supplementary or test audit of the Company's accounts by such person or persons as he may authorise in this behalf; and for the purpose of such audit to have access at all reasonable times, to all accounts, account books, vouchers documents, and other papers of the Company and to require information or additional information to be furnished to any person or persons so authorised, on such matters by such person or persons and in such form, as the Comptroller and Auditor General may by general or special order direct.

Comment on audit
report by the
Comptroller and
Auditors General

Article 123 :
The auditor/auditors aforesaid shall submit a copy of his/their audit report to the Comptroller and Auditor General of India who shall have the right to comment upon or supplement the audit report in such manner as may think fit. Any such comments upon or supplement to the audit report shall be placed before the ordinary meeting of the company at the time and in the same manner as the audit report.

Audited Account to be
conclusive

Article 124 :
Every account of the Company, when audited and approved by a general meeting shall be conclusive except as regards any error discovered therein within three months next after the approval thereof. Whenever any such error is discovered within the period, the account shall forthwith be corrected and thenceforth shall be conclusive.

CAPITALISATION OF PROFITS

Powers of company in
General Meeting for
capitalisation of profits
or credit to profit & loss
account or distribution (1)
(a)

Article 125 :
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 any of the

- company's reserve accounts, or to the credit of the profit and loss account or otherwise available for distribution;
- (b) that such sum be accordingly set free for distribution in the manner specified in clause
- Application of sum available for distribution (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (3) either in or towards;
- (i) paying up any amounts for the time being unpaid on any snares held by such members respectively.
- (ii) paying up in full, unissued shares or debentures of the company to be allotted and distributed, credited as fully paid up to and amongst such members in the proportions aforesaid: or
- (iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii).
- Application of share premium account and capital redemption reserve (3) A share premium account and a capital redemption reserve fund may, for the purpose of this regulation, only be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares.
- The Board to give effect to company's resolution (4) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.
- Article 126 :**
- Procedure for giving effect to Company's resolutions (1) Whenever such a resolution as aforesaid shall have been passed, the Board shall :—
- (a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and allotments and issues of fully paid shares or debentures, if any and
- (b) generally do all acts and things required to give effect thereto
- (2) The Board shall have full powers :—
- (a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit. for the case of shares or debentures becoming distributable in fractions; and also.

(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid up, of any further shares or debentures to which they may be entitled upon such capitalisation, or (as the case may require) for the payment by the company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised, of the amounts or any part of the accounts remaining unpaid on their existing shares.

Agreement binding on all members (3) Any agreement made under such authority shall be effective and binding on all such members.

WINDING UP

Article 127 :

Distribution of assets on winding up (1) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act. divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.

(2) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

(3) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trust for the benefit of the contributories as the liquidator, with the like sanction, shall think fit but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

GENERAL

Article : 128

The rights of the President to issue directives

Notwithstanding anything contained in any of these Articles, the President may, from time to time, issue such directives or instructions as may be considered necessary in regard to the finance, conduct of business and affairs of the Company. The Company

shall give immediate effect to the directives or instructions so issued. In particular the President will have the powers :

- (i) to give directions to the enterprise as to the exercise and performance of its functions in matters involving national security or substantial public interest;
- (ii) to call for such returns, accounts and other information with respect to the property and activities of the enterprise as may be required from time to time;
- (iii) to approve the five-year and annual plans of development and the capital budget;
- (iv) to approve agreements involving foreign collaboration proposed to be entered into.

*Provided that all directives issued by the President shall be in writing addressed to the Chairman. The Board shall, except where the President considers that the interest of the national security requires otherwise, incorporate the contents of directives issued by the President in the Annual Report of the company and also indicate its impact on the financial position of the company.

INDEMNITY

Article 129 :

Directors and
others rights to
Indemnity

Subject to the provisions of the Act, every Director, Manager and other officer or servant of the Company shall be indemnified by the Company against and it shall be the duty of the Directors to pay out of the funds of the Company, all costs, losses, damages and expenses which any such officer or servant may incur or become liable to by reason of any contract entered into or act of thing done by him as such Director, Manager, or other officer or servant or in any way in the discharge of his duties including travelling expenses, and in particular and so as not to limit the generality of the foregoing provisions against all liabilities incurred by him as such Director, Manager, or other officer, or servant in defending any proceedings whether civil or criminal in which judgement is given in his favour or in which he is acquitted or in connection with any application under section 633 of the Act in which relief is granted by the Court.

No vicarious
responsibility

Article 130

Subject to the provisions of the Act, no Director, Manager or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or officer or for joining in any receipt or other act for conformity or for any loss or expense happening to the Company through the insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested or for any loss or damage arising from the bankruptcy, Insolvency or tortious act of any person with whom any moneys, securities or effects shall be deposited or for any loss occasioned by any error of judgement or oversight on his part or for any other loss, damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto unless the same happen through his own negligence, default, breach of duty or breach of trust.

Notice how
given to members

Article 131 :

1. A Notice may be given by the Company to any member either personally or by sending it by post to him to his registered address or if he has no registered address, to the address if any supplied by him to the Company for the giving of notice to him.
2. Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, pre-paying and posting a letter containing the notice and, unless the contrary is proved, to have been effected at the time at which the letter would be delivered in the ordinary course of post.

Registered
shareholders
to notify address

Article 132:

A holder of registered shares, who has no registered place of address, may from time to time, notify in writing to the Company an address, which shall be deemed his registered place of address, within the meaning of the last preceding Article.

Notice by
advertisement

Article 133 :

If a member has no registered address and has not supplied to the Company an address for giving of notices to him, a notice addressed to him and advertised in

newspaper circulating in the neighbourhood of the Registered Office of the Company, shall be deemed to be duly given to him on the day on which the advertisement appears.

Notice to Joint holders

Article 134 :

A notice may be given by the Company to the joint holders of a share by giving the notice to the joint holder named first in the register in respect of the share.

Notice to legal representatives

Article 135 :

A notice may be given by the Company to the persons entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a prepaid letter addressed to them by name or by the title or representatives of the deceased, or assignee of the insolvent or by any like description, at the address (if any) supplied for the purpose by the persons claiming to be so entitled or (until) such an address has been so supplied by giving notice in any manner in which the same might have been given if the death or insolvency had not occurred.

Notice of General Meeting

Article 136 :

Notice of every general meeting shall be given in same manner herein before authorised to (a) every member of the Company except those members who having no registered address have not supplied to the Company an address for the giving of notice to them, and also (b) every person entitled to a share in consequence of the death or insolvency of a member who, but for his death or insolvency would be entitled to receive notice of the meeting provided the Company has due notice.

Transferee bound by notice to transfer

Article 137

Every person who by operation of law, transfer or other means whatsoever, shall become entitled to any share shall be bound by every notice in respect of such share

which previously to his name and address and title to the share being notified to and registered by the Company, shall be duly given to the person from whom he derives title to such share.

Article 138 :

Notice how signed

The signature to any notice to be given by the Company may be written or printed.

Article 139 :

Secrecy clause

No member shall be entitled to require discovery of or any information respecting any detail of the Company's trading or any matter which may be in the nature of a trade secret mystery of trade or secret process which may relate to the conduct of the business of the Company and which in the opinion of the Directors it will be inexpedient in the interest of the members of the Company to communicate to the public.

Name,	Address & description of Subscribers	Number of share taken by each subscriber	Sigature	Witnesses
1.	President of India (H.V.R. Iengar) Secretary Ministry of Commerce & Industry New Delhi for and on behalf of the President of India.	4,998		
2.	(K.B. Lall) Joint Secretary Ministry of Commerce & Industry New Delhi			
3.	(Satish Chandra) Joint Secretary Ministry of Commerce & Industry New Delhi Dated this.....18th day of May, 1956	1		

Copy of the special resolution passed by the Company at its extra ordinary General Meeting held on 21-7-62.

“Resolved that the regulations appended hereto, a copy of which, for the purpose of identification has now been subscribed by the Chairman, be and are hereby approved and adopted as the Articles of Association of the Corporation in Substitution for and to the exclusion of, all the existing Articles thereof.”