



**Memorandum and Articles of Association  
of  
MMTC Limited**

(As amended upto 18.09.2014)

Registered and Incorporated as Private Limited Company  
Under the Companies Act, 1956  
On 26<sup>th</sup> September, 1963.

(Became a "Public Limited Company" w.e.f. 28.01.1992)



Form I, R.

**CERTIFICATE OF INCORPORATION**

No. 4033 of 1963-64

I hereby certify that THE MINERALS AND METALS  
TRADING CORPORATION OF INDIA LIMITED

is this day incorporated under the Companies Act, 1956 (No. 1 of 1956)  
and that the Company is Limited.

Given under my hand at NEW DELHI

this TWENTY SIXTH (4th) day of SEPTEMBER (ASVINA)

One thousand nine hundred and SIXTY THREE (1885 SAKA)



  
(S. K. BHATTACHARYYA)  
Registrar of Companies  
DELHI

FRESH CERTIFICATE OF INCORPORATION  
CONSEQUENT ON CHANGE OF NAME

COMPANY NO. 55-4033, .....

In the Office of the Registrar of Companies, Delhi & Haryana  
(under the Companies Act, 1956 (1 of 1956))

IN THE MATTER OF THE MINERALS AND METALS TRADING CORPORATION OF  
INDIA LIMITED

I hereby certify that THE MINERALS AND METALS TRADING CORPORATION  
OF INDIA LIMITED ....., which was originally incorporated on TWENTY SIXTH  
day of SEPTEMBER ..... One Thousand Nine Hundred and Sixty Three .....  
under the Companies Act, 1956 (Act 1 of 1956) under the name THE MINERALS AND METALS  
TRADING CORPORATION OF INDIA LIMITED ....., having duly passed the necessary resolution in  
terms of Section 21 of the Companies Act, 1956 and the approval of the Central Government  
signified in writing having been accorded thereto under Section 21 read with Government of  
India, Department of Company Affairs Notification No, G.S.R. 507(E) dated 24-6-1985 by  
Registrar of Companies, Delhi & Haryana, New Delhi vide letter No 21/55-4033/3013 ...  
dated 17.2.93 ..... the name of the said Company is this day changed to MMTC LIMITED  
..... and this Certificate  
is issued pursuant to Section 23(1) of the said Act.

Given under my hand at NEW DELHI this EIGHTEENTH .....  
day of MARCH ..... One Thousand Nine Hundred and Ninety THREE

  
(V.S. GARGALI)

REGISTRAR OF COMPANIES,  
DELHI AND HARYANA





**MEMORANDUM OF ASSOCIATION  
(As amended upto 18.09.2014)**

**Memorandum of Association**  
**of**  
**MMTC LIMITED**

- I. The name of the Company is "MMTC Limited" (Approved vide fresh Certificate of Incorporation dated 18.3.93 of ROC Delhi and Haryana).
  - II. The registered office of the Company will be situated in the Union Territory of Delhi.
  - III. The objects for which the Company is established are-
    1. To organise and undertake exports from India of minerals, ores and concentrates, and such 'other allied commodities as may be entrusted to the Company for such purposes by the Union Government from time to time. -
    2. To organise and undertake -imports into India of metals including Iron & Steel and their alloys and semi-manufactures (and industrial raw materials required in processing Iron & Steel for Industrial and/or domestic use) and such other allied commodities as may be entrusted to the Company for such purposes by the Union Government from time to time.
    3. To take over from the State Trading Corporation of India Ltd., a Government of India Undertaking and company registered under the Indian Companies Act, 1956, the existing trade pertaining to minerals, ores, concentrates, metals and other allied commodities and to take over the assets and liabilities concerning such business.
    4. To organise and undertake purchase, sale and transport of the commodities specified above including such allied commodities as may be entrusted to the Company for such purposes by the Union Government from time to time, in India or anywhere else in the world.
    5. To explore and develop new markets for exports of minerals, ores and concentrates, with a view to diversifying and expanding their exports.
    6. To organise and procure, stock and sell, within India or outside, minerals, ores and concentrates, metals, including iron and steel and their alloys and semi-manufactures.
    7. To undertake, at the instance of the Union Government, import and/or internal distribution of minerals, ores and concentrates, metals including iron and steel and their alloys and semi- manufactures, with a view to stabilising prices and rationalising distribution.
    - \*\*8. To organise and undertake imports into India of fertilizers, fertilizer raw materials, chemicals, engineering, mineral products and any other related, associated or allied commodities as may be entrusted to the company for such purposes by the Union Government or its various agencies or of its own from time to time.
    9. To organise and undertake manufacture, distribute to act as pool handling agency, wholesale dealers and a retailer dealer for all kind of fertilizers, appointment of distributors for distribution of fertilizers in accordance with Government regulations, for distribution of the fertilizers, fertilizer raw materials and intermediates.
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\* *Became "Public Limited Company" w.e.f.28.1.1992*

\*\* *Clause 8 to 25 incorporated as per resolution adopted in the EGM dated 9.7.1993 and order of CLB dated 5.12.1994.*

10. To carry on the business of Import and Export of farming, horticulture, floriculture, sericulture, biotech, pesticides, cultivators of all kinds of food grains, seeds, oil seeds including processing, extractions, bye-products such as edible oils and fruits, the products of farming, dairy, horticulture, floriculture, sericulture, and manufactures of drinks alcoholic or otherwise, including beverages produced from such products or otherwise, to carry on the business of cultivators, growers, manufacturers, millers, grinders, rollers, processors, cold storers, canners and preservers and dealers of food grains and other agricultural, dairy and poultry products, meat both raw and processed, fruits, vegetables, herbs, medicines, flowers, drinks, fluids, gas and fresh, and preservable products and to extract bye-products and derivatives, whether edibles, I pharmaceuticals medicines or of any other kind or nature whatever and food preparations of every kind and description and generally to carry on the business of manufacture of and trading in preserved, dehydrated, canned or uncanned or converted agricultural products, fruits and vegetables, foods, dairy and poultry products and articles and other derivatives of all kinds and descriptions and to set up and run machinery for processing and preserving the same.
11. To carry on business of import and export of general nature such as gems and jewellery, semi-processed stones, gold, silver, handicrafts, readymade garments, yarn, fabric and any other items of textiles, leather-raw, semi-finished and finished, leather products building materials including stones.
12. To organise and undertake imports into India and/or exports from India of marine products in the natural as well as semi-processed and processed forms.
13. To promote, undertake the formation and participate financially or otherwise in joint ventures in India and abroad in association with Indian or overseas companies, either State-owned or private, individuals and firms in products directly or indirectly related to commodities/goods which MMTC trades in imports, exports or third country trading as permitted by other relevant clauses of this memorandum.
14. To promote, form and invest in investment company (ies) in India and abroad directly or as joint ventures in association with other appropriate bodies, organisations, companies, individuals, etc.
15. To organise and undertake innovative forms of trade transactions such as barter, bilateral arrangements, trade as permissible from time to time under the laws of the land both within the country and outside with a view to increase export earnings.
16. To organise undertake third country trade in all export and import items, including services handled by the company.
17. To undertake trading in export incentives, such as replenishment licenses, additional licenses, or such other forms of incentives.
18. To organise and undertake forward trading in foreign exchange/commodities.
19. To organise and undertake service oriented activities such as export promotion, financial and organisational assistance to small scale sector industries leading to generation of exports from this sector.
20. To undertake import, export, counter trade, high seas, off-shore and domestic; trade, purchase, procurement, refining processing, extraction, production (including mining and quarrying), storage, transportation, distribution, sale, marketing, financing, banking, leasing and hire purchase activities investment, research and related activities in India as well as abroad of products, commodity, Projects, Services, dealt with by the Company.
21. To erect, build, maintain and let out on hire or rent cold storage rooms and to provide for refrigeration and to carry on, undertake storage, packing, removal, carrying, delivery, purchases, sales and exchange of fruits and vegetables and all

kinds of agricultural and other goods and generally to carry on the business of cold storage company in all its branches in India and abroad.

22. To raise financial resources, both in India and abroad, through various means and modes to finance Corporation's activities, including own/joint ventures and to make investments of surplus finances when available in short terms and long terms assets including marketable securities.
23. To enter either alone or jointly with any other companies or persons and specially outside India into contracts (on turnkey basis or otherwise) for the erection, construction, maintenance, alteration, repair, pulling of factories, mills, industrial plants, engines, machinery, works of all descriptions, including water ways, road bridges, roadways, warehouses, ships and vessels of every description, gas works, electric works, water works, drainage and sewage works and other public utilities, wharfs, docks and buildings of every description.
24. To carry on in or outside India all or any of the businesses of engineering and management consultants and as advisers on problems relating to the administration and organisation of industry and business, and the training of personnel and industry and business, and to advise upon the means and methods for extending, developing and improving all types of businesses of industries and all systems or processes relating to the production, storage, distributions, marketing and sale of goods and/or relating to the rendering of services, and to engage in research into all problems relating to personnel, industrial and business management and distribution, marketing and selling to collect, prepare and distribute information and statistics relating to any type of business or industry and to promote or propose such methods, procedures and measures as may be considered desirable or beneficial.
25. To form, incorporate, float or promote any company or companies whether in India or abroad, having amongst its or their objects which in the opinion of the company could directly or indirectly assist the company in the management of its business or the development of its properties or otherwise prove advantageous to the company and to pay all or any of the costs and expenses incurred in connection with any such promotion or incorporation and to remunerate any person or company in any manner it shall think fit for services rendered or to be rendered in the formation or promotion of the company or the conduct of its business or in or about the promotion of any other company in which the company may have an interest or in the issue of any securities of the company or any company promoted by this company.
26. To generally implement such special arrangements such as linked deals and barter for import, export, internal trade and/or distribution of minerals, ores and concentrates, metals, including iron and steel and their alloys, and semi-manufactures, as the Union Government may specify from time to time in the public interest.
27. To search for, get works, raise, make merchantable, sell and deal in minerals and metals of every description.
- \* 28. To engage, organize, undertake and carry on, in domestic and global markets, trading of all goods and commodities including provision of services.
29. To purchase, take on lease, or otherwise acquire, any mines, mining rights, and metalliferous land in the country or elsewhere, and any interest therein, and to explore, work exercise, develop, and turn to account the same.
30. To crush, win, get, quarry, smelt, calcine, refine, dress, amalgamate, manipulate, and prepare for market, ore, metal, and mineral substances of all kinds, and to carry on any other metallurgical operations which may seem conducive to any of the Company's objects.

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\*Amended vide Special Resolution passed at the EGM held on 10.3.2004. The original Clause is reproduced at P-11.

31. To buy, sell, manufacture, and deal in minerals, plant, machinery, implements, conveniences, provisions, and things capable of being used in connection with metallurgical operations, or required by workmen and others employed by the company.
32. To barter, exchange, pledge, treat, prepare and deal in minerals and other ores for export and metals, iron and steel and their alloys, semi-manufactures for import and to carry on any kind of commercial and/or financial business as the Company may determine as incidental and conducive for the carrying out of the above and the main objects of the company.
33. To acquire by purchase or otherwise lands, buildings or any interest in immovable property for the purpose of the company.
34. To incur expenditure on market surveys, or engage the services of agents/brokers to achieve any or all the objectives set out herein.
35. To purchase, sell, exchange, take on lease, rent, install, let out on hire, build, construct, work, execute, carry out, equip, repair, alter, improve, develop, refine, manipulate, administer, prepare for market, manage, maintain, enlarge, pull down, remove, replace, rebuild in India and/or elsewhere, works and conveniences of all kinds, which expression includes, among other things roads, railways sidings, rolling stock, wagon, ships, piers, wharfs, bridges, canteens, warehouses, stores, buildings, offices and/or residential, places of recreation for employees, vehicles of all kinds, boats, barges, lighters, roadways, factories, engines, works, plants, machinery, tools, implements, utensils, appliances, apparatus, products, materials, substances, articles and things which are capable of being used in any business which the Company is competent to carry on which are necessary or convenient for carrying on any business which the Company is authorised to carry on which is required by any customers or persons dealing with the Company or which may seem to the Company capable of being profitably dealt with by the Company and to experiment with, render marketable and deal in all products incidental to or obtain in any business carried on by the Company and to pay for survey, preliminary or otherwise, and for experiments and to pay or contribute to the expenses of acquiring, constructing, maintaining, improving any such works and conveniences.
- \*35 A To carry on the business of purchasing, selling, importing, exporting, producing, trading, manufacturing or otherwise dealing in all aspects of planning, investigation, research, design and preparation of preliminary, feasibility and project reports, construction, generation, operation & maintenance, renovation & modernisation of Power Stations and Projects, Transmission, distribution, sale of Thermal, Hydro, Nuclear power and power generated through Non-Conventional Renewable Energy sources, including power generated based on any source of energy as may be developed or invented in future and also to undertake the business of other allied/ancillary industries including those for utilisation of steam generated at power stations, and other by-products and install, operate and manage all necessary plants, establishments and works.
- \*35 B To carry on the business of purchasing, selling, trading whether in domestic or in International market of Certified Emission Reduction (available through CDM i.e. Clean Development Mechanism)."
36. To carry on any other business, whether trading or otherwise, which may seem to the Company capable of being conveniently carried on in connection with the above or calculated directly or indirectly to enhance the value of or render profitable any of the property or rights of the Company.
37. To purchase, take on lease or in exchange, hire or otherwise acquire, any real and personal property and any rights or privileges which the Company may think necessary or convenient for the purposes of its business or may enhance the value of any other property of the Company.

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\* Inserted vide special resolution passed by the shareholders on 20.02.2008 by postal ballot.



38. To construct building, erect, maintain and carry on either by the Company or other parties, any works or undertakings of any description whatsoever either upon lands acquired by the Company or upon other lands.
39. To apply for, purchase, or otherwise acquire and protect and renew in any part of the world any patents, patent-rights, brevets d'invention, trade marks, designs, licences, concessions and the like, conferring any exclusive or non-exclusive or limited right to their use, or any secret or other information as to any invention which may seem capable of being used for any of the purposes of the Company, or the acquisition of which may seem to be calculated directly or indirectly to benefit the company, and to use, exercise, develop, or grant licences in respect of, or otherwise turn to account the property, rights or information so acquired and to expend money in experimenting upon testing or improving any such patents, inventions or rights.
40. To acquire and undertake the whole or any part of the business, property, and/or liabilities of any persons or company carrying on or proposing to carry on any business which the Company is authorised to carry on, or possessed of property suitable for the purposes of the Company, or business which can be carried on in conjunction therewith or which is capable of being conducted so as directly or indirectly to benefit the Company.
41. To amalgamate, enter into partnership or into any arrangement for sharing profits, union of interests, co-operation, joint venture, joint marketing or reciprocal concession, or for limiting competition with any person or company carrying on or engaged in or about to carry on or engage in, any business or transaction which the company is authorised to carry on or engage in, or which can be carried on in conjunction therewith or which is capable of being conducted so as directly or indirectly to benefit the Company.
42. To improve, manage, develop, grant rights or privileges in respect of, or otherwise deal with, all or any part of the property and rights of the Company.
43. To subscribe for, take or otherwise acquire, and hold shares, stock debentures or other securities of any other Company, Co-operative Society or Society registered under the Societies Registration Act 1860.
44. To invest and deal with the moneys of the Company not immediately required in any manner as the Company may determine from time to time.
45. To lend, advance money or give credit to such persons or companies and on such terms as may seem to be expedient, and in particular to customers and others having dealings with the Company, and to guarantee the performance of any contract or obligation and the payment of money of or by any such persons or companies, and generally to give guarantees and indemnities. The Company shall however not carry on any banking business as laid down in Banking Companies Act, 1949.
46. To receive money on deposit not amounting to banking transactions or on loan and borrow or raise money from any person or Bank or company or Governments in such manner and to such extent as the Company thinks fit, and in particular by the issue of debentures, or debenture stock, perpetual or otherwise and to secure the repayment of any money borrowed, raised or owing by mortgage, charge or lien upon all or any of the property or assets of the company (both present and future), including its uncalled capital, and also by a similar mortgage, charge or lien to secure and guarantee the performance by the Company or any other persons of company or any other person or company, as the case may be. The Company shall, however, not carry on any banking business as laid down in Banking Companies Act, 1949.
47. To draw, make, accept, endorse, discount, execute, and issue promissory notes, bills of exchange, bills of lading, warrants, debentures, and other negotiable or transferable instrument.

48. To enter into any arrangements with any government or authorities, municipal, local or otherwise that may seem to be conducive to the objects of the Company, or any of them, and to obtain from any such Government, authority, person or company and rights, privilege, charters, contracts, licences and concessions which the company may think it desirable to obtain and to carry out, exercise and comply therewith.
49. To establish and maintain or procure the establishment and maintenance of any contributory or non-contributory provident fund or pension or superannuation funds for the benefit of, and give or procure the giving of donations, gratuities pensions, allowances or emoluments to any persons who are or were at any time in the employment or service of the company, or of any company which is a subsidiary of the company, or is allied to or associated with the company, or with any such subsidiary company, or who are or were at any time Directors or Officers of the Company, or of any such other company as aforesaid, and the wives, widows, families and dependents of any such persons and also establish, subsidise and subscribe to any institutions, associations, clubs, or funds calculated by the Company to be for the benefit of or to advance the interest and well-being of the employers of the Company or of any such other company as aforesaid, and make payments to, or towards the insurance of any such persons as aforesaid and do any of the matters aforesaid, either alone or in conjunction with any such other company as aforesaid.
50. To provide for the welfare of employees or ex-employees of the Company and their wives and families and the wives and families of their dependents or connections by building or contributing to the building of houses or dwellings, or by grants-in-aid, pensions, allowances, bonus or other payments, and by providing or subscribing or contributing towards buildings and maintenance of places of instruction and recreation, hospitals and dispensaries, medical and other assistance as the Company may think fit, and to subscribe, or otherwise to assist, or to grant money to charitable, benevolent, religious, scientific, national, public, or other institutions, objects or purposes. Provided such institutions proposed to be helped with money are not pure political party organisations.
51. To promote and establish, organisations, advisory boards and other suitable bodies as may be deemed necessary in order to carry out the aforesaid objects of the Company effectively.
52. To sell, lease, mortgage or otherwise dispose of the property, assets or undertaking of the Company or any part thereof for such consideration as the Company may think fit.
53. To act as agents, indenters or/and as trustees for any person or Company or government and to undertake and perform sub-contracts and to do all or any of the above things in any part of the world, alone or jointly with others and either by or through agents, subcontractors, trustees or otherwise.
54. To undertake and execute any trusts, the undertaking of which may seem to benefit the company either gratuitously or otherwise.
55. To establish, and regulate branches or agencies of the Company at any place; in India or elsewhere and discontinue the same.
56. To adopt such means of making known the commodities in which the Company deals or is interested as may seem expedient and in particular by advertising in the press, by circulars, by purchase and exhibition of works of art or interest by publication of books and periodicals and by granting prizes, rewards and donations.
57. To hold or assist in holding exhibitions in India and elsewhere of the products and articles in which the Company is interested.

58. To collect and circulate statistics and other information relating to trade, commerce and industry.
59. To establish, provide, maintain and conduct or otherwise subsidise research and promote studies that may be considered by the Company likely to assist the Company's business and to provide grants for these purchases.
60. To create, or to contribute to, any depreciation fund, reserve fund, sinking fund, insurance fund, development or any other special fund including funds for payment of subsidies whether for depreciation or for repairing, improving, extending or maintaining any of the property of the Company or for amortisation of capital or for any other purpose conducive to the interest of the company.
61. To act as Insurers or Underwriters of the property of the Company either wholly or partially, and either solely or together with another or other person or persons or body or bodies, and to insure the whole or any part of the property of the Company either fully, or partially, to protect and indemnify the Company from liability or loss in respect thereof, either fully, or partially, and, also to insure and protect and indemnify either on mutual principle or otherwise, and to accept the whole or' any part of the marine risk and liability of the Company as underwriters.
62. To buy, sell, manufacture, repair, refine, manipulate, alter, improve, exchange, let out on hire, import, export, and deal in all factories, engines, works, plants, machinery, wagons, rolling stock, tools, implements, utensils, appliances, apparatus, materials, substances, articles and things capable of being used in any business which this Company is competent to carry on or required by any customers or persons having dealings, with the Company or commonly dealt in by persons engaged in any such business which may seem capable of being profitably dealt with in connection therewith and to manufacture, experiment with, render marketable and deal in all products of residual and by-products incidental to or obtained in any of the business carried on by the Company.
63. To purchase, charter, hire, build or otherwise acquire vehicles and vessels of any or every sort of description for use on or under land or water or in the air and to employ, equip and load the same for the carriage of merchandise of all kinds and to let out, to hire and to trade with any such vehicles, vessels or any part thereof when not required for the Company's business at such rates of freight, and on such terms as may be considered advantageous to the Company.
64. To employ and pay experts, Indian and foreign consultants etc., in connection with the business of the Company.
65. To subsidise or contribute to or otherwise assist in or take part in the construction, maintenance, improvement, management, working, control or superintendence of any operations or works or buildings useful or expedient or convenient or adoptable for the purposes of the Company which may be constructed by or may belong to, or be worked by or be under the control or superintendence of others and to subsidise or otherwise assist any persons or Companies responsible for or concerned or interested in any undertaking in conjunction with the Company.
66. To buy, sell, manufacture, and deal in goods, ware and merchandise including all conveniences or necessities of life which may be used or required by workmen or others (whether employed by the Company or not) and to open and keep shops' or stores and generally to carry on manufacturing, trading or other business.
67. To establish, maintain, and operate technical training institutions and hostels for mining engineers, chemical engineers, power engineers, civil engineers, mechanical engineers, drilling engineers, production engineers and other engineers of all types, mineral and other technologists, surveyors, draftsmen, overmen, sirdars, chemists and all other technical staff and artisans and mechanics of all types and kinds, and accountants and others in India or in any

part of the world, to make such other arrangements as may be expedient for the training of all officers, workers, clerks, storekeepers, and other personnel likely to be useful to or assist in any business which the Company is authorised to carry on.

68. To establish, maintain and operate hospitals, dispensaries, first aid centres and other medical institutions, public health installations, markets, shops and stores, clubs, cinemas and entertainment places, motor transport services, housing colonies, hotels and restaurants, guest houses, hostels, dhobykhanas, dairies, fire service stations for the benefit of employees and their families and others.
69. To establish, provide, maintain and conduct or otherwise subsidise research laboratories and experimental workshops for scientific and technical research and experiments to undertake and carry on scientific and technical researches, experiments, and test of all kinds, to promote studies and researches both scientific and technical investigations and inventions by providing, subsidising, endowing or assisting laboratories, workshops, libraries, lectures, meetings and conferences and by providing or contributing to the remunerations of scientific or technical professors or teachers and by providing or contributing to the award of scholarships, prizes, grants to students or otherwise and generally to encourage, promote and reward studies, researches, investigations, experiments, tests and inventions of any kind that may be considered likely to assist any business which the Company is authorised to carry on.
70. To procure and arrange for registration, incorporation or recognition of the Company in or under the laws of any country, to appoint agencies to the Company and do all acts necessary for carrying on in any Colony, Dominion or foreign country any business of the Company, to petition either singly or jointly with others to legislature, authorities, local, municipal and other bodies, British, Colonial or foreign for the purpose of getting enacted acts and laws or for obtaining decrees, interests, rights and privileges that are conducive to the interest of the Company or to protest against such petitions and transactions as are likely to be prejudicial to the interest of the Company and to take to such steps as may be necessary to give the Company the rights and privileges in any part of the world as are possessed by local Companies or partnership of a similar nature.
71. To form, incorporate or promote any joint stock company or companies for carrying into effect any of the objects of this Company and to take or otherwise acquire and hold shares in any such company and generally in any company the business of which is capable of being conducted so as directly or indirectly to benefit this Company and to pay all or any of the costs and expenses incurred in connection with any such promotion or incorporation.
72. To promote and undertake the formation of any institution or Company for the purpose of acquiring all or any of the property and liabilities of this Company or for any other purposes which may seem directly or indirectly calculated to benefit the Company or form any subsidiary company or companies.
73. To remunerate any person, or firm company, for services rendered or to be rendered in obtaining subscriptions for or placing or assisting to place or to obtain subscriptions for or for guaranteeing the subscription of or the placing of any shares in the capital of the company or any bonds, debentures, obligations or securities of the Company or any stock, shares, bonds, debentures, obligations or securities of any other company held or owned by the Company or in which the Company may have an interest or in or about the formation or promotion of the Company or the conduct of its business or in or about the promotion or formation of any other Company in which the company may have any interest.
74. To obtain order, or Act of Legislature in India or other places, or order or Act from the authorities of any country, for enabling the Company to obtain all powers and authorities necessary, or expedient to carry out or extend any of the objects of the Company, or for any other purpose which may seem expedient, and to oppose any proceedings or applications which may seem calculated directly or indirectly to prejudice the Company's interest.

75. To apply the assets of the company in any way or towards the establishment, maintenance or extension of any association, institution or fund in anywise connected with any particular trade or business or with trade or commerce generally and particularly with the trade including any association, institution, or fund for the protection of the interests of masters, owners and employers against loss by bad debts, strikes, combinations, fire accidents or otherwise or for the benefit of any clerks, workmen or others at any time employed by the Company or any of its predecessors business or their families or dependents.
76. To aid, pecuniarily or otherwise any association, body or movement having for an object the solution, settlement, or surmounting for industrial or labour problems or troubles or the promotion of industry or trade.
77. To dedicate, present or otherwise dispose of either voluntarily or for value any property of the Company deemed to be of national, public or local interest to any national' trust, public body, museum, corporation or any of the same or of the public.
78. Subject to Section 205 (3) of the Companies Act, 1956, distribute among the members in specie any property of the Company or any proceeds of sale, or disposal, of any property of the Company but so that no distribution amounting to reduction of capital be made except with the sanction (if any) for the time being required by law. .
79. To establish or promote or concur in establishing or promoting any company or companies for the purpose of acquiring all or any of the property, right and liabilities of other Companies, or for any other purpose which may seem directly or indirectly calculated to benefit the Company and to place or guarantee the placing of, under-write subscribe for, or otherwise acquire, all or any part of the shares, debentures or other-securities of any such other Company.
80. To take up all or anyone or more of the above objects simultaneously or one after the other or to keep anyone or more of the. objects in abeyance for any period of time if and when necessary.
81. To do all such other things that the company may consider are incidental to, or may think conducive to the attainment of the above objects or any of them.
82. The objects set forth in any sub-clause shall not be in anywise limited or restricted or abridged by reference to or inference from the terms of any other sub-clause or by the name of the company. None of such sub-clauses or the objects therein specified or the powers thereby conferred shall be deemed subsidiary or auxiliary merely to the objects mentioned in the first sub-clause of this clause but the Company shall have full powers to exercise all or any of the powers conferred by any part of this clause in any part of the world and not withstanding that the business, undertaking, property or acts proposed to be transacted, acquired, dealt with or performed do not fall within the objects of the first sub-clause.
83. It is hereby declared that the word "Company" in this Memorandum when applied otherwise than to this company shall be deemed to include any authority partnership or other body of persons whether incorporated or not incorporated.
- IV. The liability of the members is limited.
- \*V. The Authorised Share Capital of the Company shall be Rs. 1,00,00,00,000/- (Rupees One Hundred Crores) divided into 1,00,00,00,000 (One Hundred Crores) equity shares of Re.1/= each, with the rights, privileges and conditions attaching thereto as are provided in the Articles of Association of the Company with the power to increase and reduce the capital of the Company and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company for the time being and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be permitted by the Companies Act, 1956, or provided in the Articles of Association of the Company for the time being.”

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\* Adopted by Resolution passed at the EGM held on 20.07.2010. The original clause as on 26.9.1963 and amendments made thereto are reproduced at P. 11.

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

Names, Addresses, Descriptions & Occupation of Subscribers	Number of shares taken by such subscribers	Signature	Witness
1. President of India, Shri D.S. Joshi, S/o Shri S V Joshi Secretary, Ministry of International Trade, New Delhi. For and on behalf of the President of India.	One lakh and ninety nine thousand nine hundred ninety seven 1,99,997	Sd/- (D.S. Joshi)	Sd/- J.L. Agarwal (S/o. Shri B. Prasad), Secy. State Trading Corporation of India Ltd., Express Building, Mathura Road, New Delhi-1.
2. Shri S. Vohra, S/o Shri S R Vohra Joint Secretary, Ministry of International Trade, New Delhi.	One 1	Sd/- (S.Vohra)	

Dated this 26th day of September 1963.

## **AMENDMENTS MADE IN THE MEMORANDUM OF ASSOCIATION**

### **Clause III(28) :**

The original clause as incorporated on 26-9-1963 reads as under:

"To generally carry on business as exporters and importers."

### **Clause V:**

- (a) The original Clause as incorporated on 26-9-1963 reads as under: "The authorised share Capital of the Company is Rs. 5 crore divided into 5 lakh Equity Shares of Rs. 100/- each with power to increase and reduce the capital of the Company and to issue any of these shares in the capital, original or increased, with or subject to any rights or conditions as regards dividends, repayment of capital or otherwise."
- (b) By Resolution dated 31-10-1973, Clause was amended to read as under: "The authorised share capital of the Company is Rs. 8,00,00,000 (Rupees eight crore) divided into 8,00,000 (eight lakh) equity shares of Rs. 100/- (Rupees one hundred) each with power to increase and reduce the capital of the Company and to issue any of these shares in the capital, original or increased, with or subject to any rights or conditions as regards dividend, repayment of capital or otherwise."
- (c) By Resolution dated 26-9-1974, Clause was amended to read as under: "The authorised share capital of the Company is Rs. 12,00,00,000 (Rupees twelve crore) divided into 12,00,000 (twelve lakh) equity shares of Rs. 100/- (Rupees one hundred) each with power to increase and reduce the capital of the Company and to issue any of these shares in the capital, original or increased, with or subject to any rights or conditions as regards dividend, repayment of capital or otherwise."
- (d) By Resolution dated 26-9-1977, Clause was amended to read as under: "The authorised share capital of the Company is Rs. 20,00,00,000 (Rupees twenty crore) divided into 20,00,000 (twenty lakh) equity shares of Rs. 100/- (Rupees one hundred) each with power to increase and reduce the capital of the Company and to issue any of these shares in the capital, original or increased, with or subject to any rights or conditions as regards dividend, repayment of capital or otherwise."
- (e) By Resolution dated 30-9-1978, Clause was amended to read as under: "The authorised share capital of the Company is Rs. 25,00,00,000 (Rupees twenty five crore) divided into 25,00,000 (twenty five lakh) equity shares of Rs. 100/- (Rupees one hundred) each with power to increase and reduce the capital of the Company and to issue any of these shares in the capital, original or increased, with or subject to any rights or conditions as regards dividend, repayment of capital or otherwise."
- (f) By Resolution dated 29.9.1981 clause was amended to read as under: "The authorised share capital of the Company is Rs. 50,00,00,000 (Rupees fifty crore) divided into 50,00,000 (fifty lakh) equity shares of Rs. 100/- (Rupees one hundred) each with power to increase and reduce the capital of the company and to issue any of these shares in the capital, original & increased with or subject to any rights or conditions as regards dividend, repayment of capital or otherwise."
- (g) By resolution dated 28.1.92 clause was amended to read as under: "The authorised share capital of the Company is Rs. 50,00,00,000 (Rupees fifty crore) divided into 5,00,00,000 (five crore) equity shares of Rs. 10 (Rupees ten) each with power to increase and reduce the capital of the Company and to issue any of these shares in the capital, original or increased, with or subject to any rights or conditions as regards dividend, repayment of capital or otherwise."
- (h) By resolution dated 09.7.1993 clause was amended to read as under: The authorised share capital of the Company is Rs. 100,00,00,000 (Rupees one hundred crore) divided into 10,00,00,000 (ten crore) equity shares of Rs. 10 (Rupees ten) each with power to increase and reduce the capital of the Company and to issue any of these shares in the capital, original or increased, with or subject to any rights or conditions as regards dividend, repayment of capital or otherwise."

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**Clause III (8 to 25) incorporated as per resolution adopted in the EGM dated 9.7.1993 and order of CLB dated 5.12.1994.**

**Clause III (35A & 35B) incorporated vide special resolution passed by the shareholders on 20.2.2008 by postal ballot.**



**ARTICLES OF ASSOCIATION**  
**(As amended upto 18.09.2014)**



THE COMPANIES ACT, 1956

\* (PRIVATE COMPANY LIMITED BY SHARES)

**Articles of Association of MMTC LIMITED**

**PRELIMINARY**

**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 "MMTC Limited".
"The Act"	(b) the "Act" means the Companies Act, 1956, and any statutory modifications thereof.
"The President"	(c) the "President" means the President of India.
"The Central Government"	(d) the "Central Government" means the Government of India.
"The Directors"	(e) the "Directors" means the Directors for the time being of the Company, & includes any person occupying the position of a Director by whatever name called.
"The Chairman"	(f) the "Chairman" means the Chairman of the Board of Directors, for the time being of the Company.
"Office"	(g) the "Office" means the registered office for the time being of the Company.
"Seal"	(h) the "Seal" means the Common Seal of the Company.
"The Board"	(i) "Board of Directors of Board in relation to a Company" means the "Board of Directors of the Company."
"Capital"	(j) "Capital" means the capital for the time being raised or authorised to be raised for the purpose of the Company.
"Dividend"	(k) "Dividend" includes bonus.
"Executor" or "Administrator"	(l) "Executor" or "Administrator" means a person who has obtained Probate or Letter of Administration, as the case may be, from some competent court.
"In writing" and "Written"	(m) "in writing" and "Written" include, printing, lithography and other modes representing or reproducing words in a visible form.
"Month"	(n) "Month" means a calendar month.
"Persons"	(o) "Persons" includes Corporations and firms, as well as individuals.
"Resolution"	(p) "Ordinary Resolution" and "Special Resolution" have the meaning assigned thereto respectively by Section 189 of the Act.
"Regulation"	(q) "Regulations of the Company" means the regulations for the time being in force for the management of the Company.
"Register"	(r) "The Register" means the register of members to be pursuant to Section 150 of the Act.

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\* *Became "Public Limited Company" w.e.f.28.1.1992.*

Beneficial Owner*	(s) "Beneficial Owner" means a person or persons whose name is recorded as such with a Depository.
Depository*	(t) "Depository" means a Company formed and Registered under the Companies Act, 1956 and which has been granted a Certificate of Registration to act as a Depository under the Securities and Exchange Board of India Act, 1992.
SEBI*	(u) "SEBI" denotes Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992 (15 of 1992).
Securities*	(v) "Securities" means Securities as defined in Section 2(h) of the Securities Contracts (Regulations) Act, 1956.
"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 imparting the singular number include the plural number and vice versa.
Masculine includes feminine	(4) Words imparting the masculine gender also include the feminine gender.
Marginal notes and catch lines	(5) The marginal notes and catch lines hereto shall not affect the construction hereof.

Table' A' not to apply

**Article 2:**

(1) The regulations contained in Table' A' in Schedule I 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 regulations as prescribed or permitted by the Act, be such as are contained in these Articles.

**Article 2A:\*\***

Wherever in the Companies Act, 2013 ('CA 2013'), it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction(s) only if the Company is so authorized by its Articles, then and in that case by virtue of this Article, the Company is hereby specifically authorized, empowered and entitled to have such right, privilege or authority, to carry out such transaction(s) as have been permitted by the CA 2013 without there being any separate/specific article in that behalf herein provided.

**Article-3: \*\*\***

Deleted

**CAPITAL**

**Article 4: \*\*\*\***

"The authorised share capital of the Company is Rs. 100,00,00,000 (Rupees one hundred crore) divided into 100,00,00,000 (one hundred crore) equity shares of Re.1/= (Rupee one only) each. Provided that the Company may alter the conditions of its Memorandum so as to increase its share capital by such amounts as it thinks expedient by issuing new shares in the manner prescribed in Section 94 of the Act."

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*\*Inserted vide special resolution passed at 38<sup>th</sup> AGM held on 28.9.2001*

*\*\*Inserted vide Special Resolution passed at 51<sup>st</sup> AGM held on 18.9.2014*

*\*\*\*Became "Public Limited Company" w.e.f. 28.1.1992.*

*\*\*\*\*Adopted by Resolution passed at the EGM held on 20.7.2010. The original Article and the amendments made thereto are reproduced at page 56 to 62.*

**Article 5: \***

Allotment of shares subject to President's directions

Subject to such directions as the President may issue from time to time, and to the provisions hereinafter contained 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. Provided that option or right to call of shares shall not be given to any person(s) without the sanction of the Company in general meeting.

**Article 5A:\*\***

Buy-back of Shares:

Notwithstanding any thing contained in these Articles, the Board of Directors may, when and if thought fit, purchase shares or other specified securities of the Company (referred to as 'Buy-back') as it may think necessary, in the manner prescribed in Sections 77-A, 77-AA and 77-B of the Companies Act, 1956.

**Article 6:**

Company not to recognise holding of share on trust or any equitable contingent, further 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 recognize (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 as the registered holder.

**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 after the application for registration of transfer (or within such other period as the conditions of issue shall provide):-

(a) One or more certificates in marketable lots for all his shares without payment

(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.

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*\* Amended vide 29th Annual General Meeting held on 31.12.92. The original Articles are reproduced at page 56 to 62*

*\*\* Inserted vide special resolution passed at 38<sup>th</sup> AGM held on 28.09.2001.*

**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 fifty paise 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. No fee shall be charged for issuing new share certificate in replacement of those which are old decrepit or worn out or where the cages on the reverse for recording transfers have been fully utilised or when consolidation or subdivision of share certificates is made into lots of the market unit of trading.

**Article 9:\***

Company 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 fixed time in respect of such shares and no equitable interest in any shares, shall be created except upon the footing and condition 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.

**Article 10:**

Sale of share 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:**

Procedure for sale of share 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 proceedings in reference to the sale.

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*\* Amended vide 29th Annual General Meeting held on 31.12.92. The original Articles are reproduced at page 56 to 62*

**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. Such calls shall be made on uniform basis on all shares falling within the same class.

The Directors may extend time Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment, of the last 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 percent 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 at fixed date to be paid on due dates (1) Any sum which by the terms of issue of a share becomes payable on or allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for purpose 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 nonpayment (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 (a) The Board 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 shares held by him; and

(b) Upon all or any of the moneys so advanced, may (until the same would, but for such advance, become presently payable) unless the company in general meeting shall otherwise direct pay interest at such rate not exceeding 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 participation in the profits of the Company.

**TRANSFER OF SHARES**

**Article 19\***

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

(a) deleted.

(b) The Directors may refuse to register any proposed transfer of shares in terms of Section 22A of the Securities Contracts (Regulation) Act, 1956 read with Section 111 of the Companies Act, 1956, provided:

"That registration of a 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".

(c) 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.

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*\* Amended vide 29th Annual General Meeting held on 31.12.92 The original sub-articles are reproduced at page 56 to 62*

(d) 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 share as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or as by law required) be bound to recognize any benami trust or equity or equitable contingent or other claim to or interest in such share on the part of any person whether or not it shall have express or implied notice thereof.

**Article 20:**

Transfer to be executed by both parties

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

Transfer deemed holder until registration

(2) The transferor shall be deemed to remain 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 instruments 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 24\***

Transfer

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.

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*\* Amended vide 29th Annual General Meeting held on 31.12.92 The original sub-articles are reproduced at page 56 to 62*

**Article 24A:\***

Dematerialisation of Securities	Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its securities and to offer securities in a dematerialized form pursuant to the Depositories Act, 1996.
Option of Investors	Every person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold the securities with a Depository. Such a person who is the beneficial owner of the securities can at any time opt out of a Depository, if permitted by the law, in respect of any security in the manner provided by the Depositories Act, and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required Certificate of Securities.  If a person opts to hold his/her 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.
Securities in Depositories to be in fungible form	All securities held by a Depository shall be dematerialized and be in fungible form. Nothing contained in Sections 153, 153-A, 153-B, 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.
Rights of Depositories and beneficial owners	(a) Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owner. (b) Save as otherwise provided in (a) above, the Depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it. (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/her securities which are held by a Depository.
Service of Documents	Notwithstanding anything contained in the Act or these Articles to the contrary, where securities are held in Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs.
Transfer of Securities	Nothing contained in Section 108 of the Act or these Articles shall apply to a transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a Depository.

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\* Inserted vide Special Resolution passed at 38<sup>th</sup> AGM held on 28.09.2001.



Allotment of Securities within a depository	Notwithstanding anything contained 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.
Distinctive Numbers of Securities held in a Depository	Nothing contained in the Act or these articles regarding the necessity of having distinctive numbers for securities issued by the Company shall apply to securities held with a Depository.
Register and Index of beneficial owners	The Register and Index of beneficial owners maintained by a Depository under the Depositories Act, 1996, shall be deemed to be the Register and Index of Members and Security holders for the purpose of these Articles.
Suspension of Registration	<b>Article 25:</b> The registration of transfers may be suspended at such time 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. . <b>Article 26:*</b> Deleted.

#### **TRANSMISSION OF SHARES**

Death of one or more joint holders of shares	<b>Article 27:</b> (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 on death or insolvency of holder	<b>Article 28:</b> (1) 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.
Notice by person, entitled to share on death or insolvency of holder	<b>Article 29:</b> (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.

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*\*Amended vide 29th Annual General Meeting held on 31.12.92 The original sub-articles are reproduced at page 56 to 62.*

(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:**

Rights of person entitled to share on death or 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 the 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:**

Director's right to refuse registration on Transmission

The Directors shall have the same right 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 along with the relative certificate in respect of such share to the President or any other person or persons nominated by him in that behalf the company may at any time thereafter execute a transfer in respect of such share for and 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 of such holder or 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.

**Article 33A:\***

Nomination of Share Holder

1. Every holder of shares of the Company may at any time, nominate in the prescribed manner, a person to whom his/ her shares of the Company shall vest in the event of his/ her death.

2. Where the shares of the Company are held by more than one person jointly, the joint holders may together nominate in the prescribed manner, a person to whom all the rights in the shares of the Company shall vest in the event of death of all the joint holders.

3. Notwithstanding anything contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, in respect of such shares of the Company, where a nomination made in the prescribed manner purports to confer on any person the right to vest the shares of the Company, the nominee shall, on the death of the shareholder of the Company or as the case may be, on the death of the joint holders,

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*\*Inserted vide special resolution passed at 38<sup>th</sup> AGM held on 28.9.2001*

become entitled to all the rights in the shares or debentures of the Company or, as the case may be, all the Joint holders, in relation to such shares of the Company to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner.

4. Where the nominee is a minor, it shall be lawful for the holder of the shares to make the nomination to appoint in the prescribed manner any person to become entitled to shares of the Company, in the event of his/her death, during the minority.

5. Any person, who becomes a nominee by virtue of the provisions of Section 109-A of the Act, upon the production of such evidence, as may be required by the Board and subject as hereinafter provided, elect, either: -

a. to be registered himself/ herself as holder of the shares; or

b. to make such transfer of the shares as the deceased shareholder could have made.

6. The Board shall, in either case have the same right to decline or suspend registration, as it would have had, if the deceased shareholder had transferred the shares before his/ her death.

7. If the person being a nominee, so becoming entitled, elects to be registered as holder of the shares himself/ herself, he/she shall deliver or send to the Company a notice in writing signed by him/ her stating that he/she so elects and such notice shall be accompanied with the death certificate of the deceased shareholder.

8. All the limitations, restrictions and provisions of the Act, 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 of the member had not occurred and the notice or transfer were a transfer signed by that shareholder.

9. A person, being a nominee becoming entitled to a share by reason of the death of the holder shall be entitled to the same dividends and other advantages to which he/ she would be entitled if he/ she were the registered holder of the share except that he/ she shall not before being registered a member in respect of his/ her 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/ herself or to transfer the 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.

## **FORFEITURE OF SHARES**

If call or installment not paid, notice to be given	<p><b>Article 34:</b></p> <p>If a member fails to pay any call, or installment 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 installment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued due.</p>
Form of notice	<p><b>Article 35:</b></p> <p>The notice aforesaid shall-</p> <p>(a) name a further day (not 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</p> <p>(b) state that, in the event of non-payment on or before the day so named, the share in respect of which the call was made will be liable to be forfeited.</p>
Forfeiture of shares on any default of payment	<p><b>Article 36:</b></p> <p>If the requirements of any such notice as aforesaid are not complied with, 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.</p>
Disposal of forfeited shares	<p><b>Article 37:</b></p> <p>(1) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.</p>
Power to annul forfeiture	<p>(2) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.</p>
Liability to pay money owing at the time of forfeiture	<p><b>Article 38:</b></p> <p>(1) 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.</p> <p>(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 shares.</p>
Declaration of forfeiture	<p><b>Article 39:</b></p> <p>(1) A duly verified declaration in writing that the declarant is a Director, the Manager, the Secretary</p>

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 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 the application of the purchase money, if any nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, 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 shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

**CONVERSION OF SHARES INTO STOCK**

**Article 41:**

Conversion of shares into stock and vice versa

Subject to such directions Issued by the President, the Company may, by ordinary resolution:-

- (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 holders 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 there to 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.

**Article 43:**

Rights and privileges of holders of stock

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.

**Article 44:**

Regulations applicable to paid up share to apply to stock

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

**Article 45:**

Increase of Capital

Subject to such directions as may be issued by the President in this behalf, 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.

**Article 46:**

Issue of new shares

Subject to such directions as may be issued by the President in this behalf, 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.

**Article 47:**

Same as original capital

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 installments, transfer and transmission, lien, voting, surrender and otherwise.

**Article 48:**

Sub-division and consolidation of share

Subject to the approval of the President, 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.

**Article 49:**

Reduction of Capital

Subject to such directions as may be issued by the President in this behalf, 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 account; or
- (c) any share premium account.

## **BORROWING POWERS**

### **Article 50:**

Power to Borrow

The Board may from time to time and subject to the provision of Section 292 of the Act raise or borrow or secure the payment of any sum or sums of money for the purposes of the Company.

### **Article 51:**

Conditions on which money may be borrowed

The Board 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.

### **Article 52:\***

Securities assignable free from equities

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. Debentures, debenture stock and securities with the right to allotment of or conversion into shares shall be issued only with the consent of the company in general meeting.

### **Article 53:**

Issue at a discount or with special privileges

Subject to the approval of the President and 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.

### **Article 54:**

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

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.

### **Article 55:**

Indemnity may be given

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.

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*\* Amended vide 29th Annual General Meeting held on 31.12.92 The original Article is reproduced at page 56 to 62*



## GENERAL MEETINGS

Extra-ordinary General Meeting	<b>Article 56:</b> All general meetings other than annual general meeting shall be called extraordinary general meetings.
Annual General Meeting	<b>Article 57:</b> The Company shall in each year hold in addition to any other meetings a general meeting as its annual general meeting and not more than fifteen months shall elapse between the date of one annual general meeting and that of the next. The first Annual General Meeting of the Company will be held within eighteen months from the date of its incorporation and thereafter, subject to the provisions of Section 166 of the Act as amended, the Annual General Meeting of the Company shall be held within six months after the expiry of each financial year. It shall be held during business hours on a day that is not a public holiday. The notice calling the general meeting shall specify it as Annual General Meeting.
Convening of extra ordinary General Meeting	<b>Article 58:</b> 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 requisitionist 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 twenty-one days from the date of the 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 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.

**Article 59:**

Notice of meeting

Subject to the provisions relating to special resolutions hereinafter contained, at least 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.

**Article 60:**

Notice how given to members

(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.

**Article 61:**

Registered shareholders to notify address

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.

**Article 62:**

Notice to advertisement

If a member has no registered address and has not supplied to the Company an address for the 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.

**Article 63:**

Notice to Joint holders

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.

**Article 64:**

Notice to legal representatives

A notice may be given by the Company to the person 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.

**Article 65:**

Notice of General Meeting

Notice of every general meeting shall be given in same manner hereinbefore, authorised to (a) every member or 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 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 had due notice.

**Article 66:**

Transferee bound by notice to transfer

Every person who by operation of law, transferor 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 67:**

Notice how signed

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

**Article 68:**

Omission to give notice not to invalidate resolution

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.

**Article 69:**

Business of ordinary meeting

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 extraordinary meeting, shall be deemed special.

#### **PROCEEDINGS AT GENERAL MEETING**

##### **Article 70: \***

Quorum

(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 person shall be a quorum.

##### **Article 71:**

Chairman of general meeting

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

##### **Article 72: \*\***

Election of Director in the absence of Chairman

If there is no such Chairman, or if at any meeting he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as Chairman, then the members present shall choose one of their number to be the Chairman of the meeting.

##### **Article 73:**

Proceedings in absence of quorum

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 shareholders 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.

##### **Article 74:**

Adjournment

(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.

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*\*Amended vide Extra-Ordinary General Meeting held on 28.01.1992. The original sub-article is reproduced at page 56 to 62.*

*\*\* Adopted by Resolution dated 26.9.1974. The original Article is reproduced at page 56 - 62.*

Notice of adjourned meeting	<p>(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.</p> <p>(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.</p>
Decision in the first instance by show of hands.	<p><b>Article 75:</b></p> <p>(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.</p>
Evidence of resolution where poll not demanded	<p>(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.</p>
Manner of taking poll and result thereof	<p>(c) Subject to Sec. 179 of the Act, if a poll is duly demanded, it shall be taken in such manner and at such time and place as the Chairman of the meeting directs, 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.</p>
Poll demanded to be taken at the meeting	<p>(d) Subject to the provisions of Section 180 of the Act, any poll duly at the meeting 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.</p>
Chairman to be the sole judge	<p>(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 the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.</p>
Member not personally present to vote on show of hands	<p>(f) No member not personally present shall be entitled to vote on a show of hands.</p>
Demand for poll not to prevent transaction of other business	<p><b>Article 76:</b></p> <p>Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the polls.</p>

Right of the President to appoint any person as his representative

**Article 77:**

(1) The President, so long as he is shareholder 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**

**Article 78:**

Votes

(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.

**Article 79:**

Voting by joint holders

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

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

**Article 80:**

Notice by person entitled to any shares by transmission.

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	<p><b>Article 81:</b></p> <p>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.</p>
No member to vote unless calls are paid up	<p><b>Article 82:</b></p> <p>No member shall be entitled to vote at any general meetings unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.</p>
Objection to vote	<p><b>Article 83:</b></p> <p>(1) 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.</p>
Chairman to judge validity	<p>(2) Any such objection made in due time shall be referred to the Chairman of the meeting, whose decision shall be final and conclusive.</p>
Appointment and qualification of proxy or attorney	<p><b>Article 84:</b></p> <p>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 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 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.</p>
Deposit of instrument of appointment	<p>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.</p>
Form of Proxy	<p><b>Article 85:</b></p> <p>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.</p>

#### **Article 86:**

Vote of proxy not invalid if notice of revocation not received

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 87:**

Number of Directors

\*(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 will not be required to hold any qualification shares.

Appointment of Directors, their number, remuneration etc.

\*\* (2) The Directors (including the Financial Adviser if the Financial Adviser is member of the Board of Directors) shall be appointed by the President in consultation with the Chairman. The appointment of Directors shall be in such number and for such period as the President may determine from time to time. The directors so appointed shall be entitled to such pay and allowances, travelling allowances, leave, provident fund, medical and other facilities as may be determined by the President at the time of their appointment or thereafter.

Retirement and Resignation of Directors

\*(3) A Director appointed by virtue of his holding any office in the Government or Government Company/Corporation, shall retire on the date he ceases to hold that office.

A Director may resign from his office by giving a notice in writing. The resignation will take effect from the date it is accepted by the President

Removal of Directors

(4) 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.

Rotational Retirement of Directors

**(4)(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 for retirement of Directors by rotation and save as otherwise expressly

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\* Adopted by Resolution dated 25-9-1972 and amendment made vide special resolution passed at the EGM held on 28.3.2006. The original sub-articles are reproduced at page 56 to 62.

\*\* Adopted by Resolution dated 7-6-1969. The original sub-article is reproduced at page 56 to 62.

\*\*\*Amendment made vide special resolution passed at the EGM held on 18.1.2002. The original sub-article is reproduced at page 56 to 62.



provided in the Act, be reappointed 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 eligible to retire by rotation or if their number is not three or multiple of three, then the number nearest to one-third, shall retire from office. At the Annual General Meeting at which a Director retires by rotation, as aforesaid, the Company may fill up the vacancy by reappointing the retiring director, if eligible, or some other person thereto. The Chairman-cum-Managing Director shall not be subject to retirement under this clause."

Filling of any vacancy

(5) The President shall have the right to fill any vacancy in the office of a Director caused by retirement, removal, resignation or otherwise.

Directors vacating Office

(6) 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 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 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 in to by or on behalf of the Company as required under Section 299 of the Act;

(g) he becomes disqualified by an order of Court under Section 203 of the Act;

(h) he is removed in Pursuance of Section 284 of the Act.;

(i) 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.

*\*(j)he becomes disqualified in pursuance of Section 274(1)(g) of Companies Act, 1956."*

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;

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*\*Sub-article 87(6)(j) inserted vide special resolution passed at 38<sup>th</sup> AGM held on 28.09.2001.*

(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 of the disqualification, until such further appeal or petition is disposed of.

Alternate Director

(7) 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 subject to Section 313 of the Act 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 meeting of the Director and shall *ipso facto* vacate office if and when the original Director returns to India or the State in which the meetings of the Directors are ordinarily held or on the expiry of the period of office of the original Director.

Appointment of Chairman/  
Managing Director/  
Executive Director.

\* (8) The President may appoint one of the Directors to be the Chairman of the Board of Directors and another Director as Managing Director and one or more Directors as Executive Directors in consultation with the Chairman, and also constitute Committees of one or more Directors on such terms and on such remuneration as he may determine from time to time and may remove him or them from office and appoint another in his or their place(s).

Powers of Managing  
Director

(9) The Board may from time to time entrust to and confer upon the Chairman/Managing Director, Directors, General Manager or Manager 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 and may confer such powers for such time and to be exercised for such objects and purpose and upon such terms and conditions and 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.

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*\* Adopted by Resolution dated 28-7-1975. The original sub-article and amendments made thereto are reproduced at page 56 to 62.*

**Articles 88:**

General powers of the Company vested in the Board

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 Act, or by these Articles, required to be exercised by the Company in general meetings, subject nevertheless to the provisions of these Articles, to 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 89:**

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, and subject to the provisions of Sections 292, 294 & 297 of the Act the Directors shall have the following powers, that is to say powers:-

To acquire property

(1) To purchase, take on lease or otherwise acquire for the Company, property rights or privilege 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)To authorise the undertaking of works of a capital nature and the acquisition of capital assets of an immovable nature, subject to the condition that all cases involving a capital expenditure exceeding Rs. 5 crore shall be referred to the President for his approval before authorisation;

The powers delegated are subject to the condition that the Board of Directors do not incur capital expenditure on Schemes not included in the capital budget of the Corporation as approved by the Government;

To pay for property in debentures, etc.

(3) 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;

To,secure contracts by mortgage

(4) Subject to the provisions of Section 292 of the Act, to secure the fulfilment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being in such other manner as may think fit;

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*\*Amended vide OM No. BS/A/15/87-88 dated 27.10.1988. The original sub-article is reproduced at Page 56 to 62.*

To create posts and to appoint officers, etc.	*5) To create posts below the Board level irrespective of pay and to make appointment 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 order, to reduce to a lower grade or post or to a lower grade or post or to a lower timescale 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 powers and duties and fix their salaries or emoluments, and to require security in such instances and of amounts as they think fit. Provided that no appointment of any person whether from public or private sector or extension of service of an employee in the Corporation who has attained the age of <u>60 years</u> ** shall be made except with the prior approval of the President if his basic pay in the Corporation exceeds Rs. 3,700/- per month;
To appoint trustees	(6) 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 purpose, 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;
To bring and defend action, etc.	(7) To institute, conduct, defend, compound, or abandon any legal proceeding 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 any claims or demands by or against the Company to arbitration, and observe and perform the award;
To give receipt	(9) 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 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) From time to time, 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;

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\*Adopted by Resolution dated 4-3-1985. The original sub-article and the amendments made thereto are reproduced at page 56 to 62.

\*\*Amended vide resolution passed in EGM held on 03-08-1998 to read as "60 years" instead of "58 years"

To invest money	(12) 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 President and deal with any of the money of the Company upon such investment 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 investments;
To give security by way of indemnity	(13) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or 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 and such other power, covenants and provisions as shall be agreed on;
To give percentage	(14) Subject to the 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 which shall be treated as part of the working expenses of the Company;
To give bonus	(15) 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 bye-laws	(16) 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) Before declaring any dividend and subject to the approval of the President to set aside such portion of the profits of the Company as they may think fit, to form a fund to provide for such pensions, 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) 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 contract, etc.

(19) To enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deed 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) 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.

**Article 90:**

Remuneration of the Directors

(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.

(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:

(a) in attending and returning from meeting of the Board of Directors or any committee thereof or general meetings of the Company; or

(b) in connection with the business of the company.

**Article 91:**

Registration expenses

The Board may pay all expenses incurred in getting up and registering the company.

**Article 92:**

Use of official seal abroad

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.

**Article 93:**

Drawing and accepting negotiable instrument

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.

**Article 94:**

Acquittance Register

Every Director present at any meeting of the Board or of a committee thereon shall sign his name in a book to be kept for that purpose.

**PROCEEDINGS OF BOARD**

**Article 95:**

Board may regulate its meetings

\*(1) The Board of Directors may meet for despatch of business, adjourn and otherwise regulate its meetings, as it thinks fit.

Provided that the Directors shall hold a meeting at least once in every three months and at least four such meetings shall be held in a year.

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) Subject to Section 287 of the Act, 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, powers 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 crore.

The powers delegated are subject to the condition that the Board of Directors do not incur capital expenditure on schemes not included in the capital budget of the Corporation as approved by the Government.

**Article 96:**

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 Committee of Directors;

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\* Adopted by Resolution dated 26-9-1977. The original sub-article is reproduced at page 56 to 62.

\*\* Amended vide O.M. no. BS/A (15)/87-88 dt. 27.10.1988./ The original sub-article is reproduced at page 56 to 62.

(b) of the names of the Directors present at each meeting of the Directors and of any Committee of the Directors;

(c) of all proceedings of every general meeting and of all proceedings of every meeting of the Board of Directors or of every Committee of the Board within 30 days of the conclusion of every such meeting concerned in books kept for that purpose with their pages consecutively numbered as required under Section 193. Minutes of meetings so kept should be evidence of the proceedings recorded therein, 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 Directors, if any, dissenting from or not concurring in the resolution.

**Article 97:**

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 98:**

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 number to be Chairman of the meeting.

**Article 99:**

Delegation to Committees

(1) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such number of 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 100:**

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 number to be chairman of the meeting.



Committee to regulate its meeting

Decision by majority vote

**Article 101:**

(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.

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

**Article 102:**

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

Resolution of Board or Committee valid without meeting

**Article 103:**

Subject to restrictions placed under Section 292 of the Act, resolutions of the Board of Directors can be passed by circulation and they shall be as valid and effectual as if they have been passed at a meeting of the Directors duly called and constituted. No resolution shall, however, be deemed to have been duly passed by the Board or by a Committee thereof by circulation, unless the resolution has been circulated in draft, together with the necessary papers, if any, to all the Directors, or to all the members of the committee then in India (not being less in number than the quorum fixed for a meeting of the Board or Committee, as the case may be), and to all other directors or members at their usual address in India and has been approved by such of the Directors as are then in India, or by a majority of such of them as are entitled to vote on the resolution.

**SECRETARY**

Appointment of Secretary

**Article 104:**

(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 105:**

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 106:**

Custody of the Seal  
Procedure for affixation of  
the Seal

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

(2) 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 107:**

Declaration of dividends

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

### **Article 108:**

Dividend only out of Profit

(a) No dividend shall be declared or paid by the Company for any financial year except out of profits of the company for that year arrived at after providing for the depreciation in accordance with the provisions of Sub- Section (2) of the Section 205 of the Act or out of profits of the Company for any previous financial year or year arrived at after providing for depreciation in accordance with those provisions and remaining undistributed or out of both or out of moneys provided by the Government for the payment of dividend in pursuance of a guarantee given by the Government.

(b) Subject to the provisions of Section 205 of the Act as amended, no dividend shall be payable except in cash.

### **Article 109:**

Interim dividends

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

### **Article 110:**

Creation of Reserve Fund  
out of profits

(1) Subject to such directions as may, from time to time, be issued by the President in this behalf, 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 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 111:**

Payment 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 the 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 112:**

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 113:**

Dividend may be paid by cheque or warrant payable to order

(1) Any dividend, interest or other moneys payable in each in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, 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, and in the case of dividends should be posted within forty two days from the date of declaration.

**Article 114:**

Effectual receipt by joint holder

Anyone 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 115:**

Notice of any dividend that may have been declared shall be given to the registered holders of shares in the manner mentioned in the Act.

Dividends not to bear interest

**Article 116:**

No dividend shall bear interest against 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 117:**

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.

Dividend subsequent to transfer of share

**Article 118 :**

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

Retention of dividends on transmission of share

**Article 119 :**

The Directors may retain the dividends payable upon shares in respect of which any person is under the transmission clause (Article 23) 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.

Investment of unclaimed dividends

**Article 120: \***

No unclaimed dividend shall be forfeited by the Board unless the claim thereto becomes barred by 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**

Inspection of account books by members

**Article 121 :**

(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.

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\* Adopted by Resolution of AGM dated 31.12.92. Original article is reproduced at page 56 to 62.

(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 authorized by the Board or by the company in general meeting.

**Article 122:**

Annual Account & Balance Sheet

Subject to the provisions of Section 166 and 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 at least in every calendar year lay before the company in Annual General Meeting a balance sheet and profit and loss account, in the case of the first account since the incorporation of the company and in any other case since the preceding accounts made upto a date not earlier than the date of the meeting by more than six months.

**Article 123:**

Annual Report of Directors

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 by way of dividend and the amount, if any, which they propose to carry to the Reserve Fund, General Reserve or 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 authorized, in that behalf by the Directors and when he is not so authorized, shall be signed by such number of Directors as are required to sign the balance sheet and profit and loss account by virtue of sub-section (1) and (2) of Section 215 of the Act.

**Article 124:**

Particulars of Profit & Loss Account

Forms of Balance Sheet and Profit and Loss Account should be in accordance with the provisions of Section 211 of the Act. The Profit & Loss Account shall in addition to the matters referred to in Section 211 of the Act, show arranged 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 year's income shall be brought in to account so that just balance of profit and loss may be laid before the meeting, and 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 income of the year.

**Article 125:**

Balance Sheet & other documents to be sent to the address of every member

The Company shall send a copy of such balance sheet and profit and loss account together with a copy of the auditors' report to the registered address of every member of the company in the manner in which notices are to be given thereunder 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.

**Article 126 :**

Directors to comply with Sections 209 to 222 of the Act

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

**Article 127 :**

Audit atleast once in a year

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. .

**Article 128:**

Appointment of Auditors

The 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.

**Article 129 :**

Notice to Auditors to Attend general meeting

The auditors of the Company shall be entitled to receive a 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 matters which concern them as auditors.

**Article 130 :**

Powers of the Comptroller & Auditor General

The Comptroller & 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 128 thereof 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.

**Article 131 :**

Comment on audit report by the Comptroller & Auditor General

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 he 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.

**Article 132 :**

Audited Accounts to be conclusive

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**

**Article 133 :**

Powers of Company in General Meeting or capitalisation of profits or credit to profit and loss account or distribution

(1) The Company in general meeting may, upon the recommendation of the or Board, resolve:-

(a) 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; and

(b) that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

Application of sum available for distribution

(2) 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 shares held by such members respectively.

(ii) paying up in full, unissued shares or debentures of the company to be allotted and

Application for share premium account and capital redemption reserve

The Board to give effect to company's resolution

Procedure for giving effect to Company's resolutions

Power to make provision for issue of fractional certificates etc.

Agreement binding on all members

Distribution of assets on winding up

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).

(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.

(4) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

#### **Article 134 :**

(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 all 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 amounts remaining unpaid on their existing shares.

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

### **WINDING UP**

#### **Article 135 :**

(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 where on there is any liability.

## **GENERAL**

### **Article 136:\***

The rights of the President to issue directions

Notwithstanding anything contained in any of these Articles, the President may, from time to time, issue such directive(s) or instructions as may be considered necessary in regard to the finances, 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 Company 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 Company as may be required from time to time;

(iii) to improve the Company's five year and annual plans of development and the Company's capital budget; and

(iv) to approve agreements involving foreign collaboration proposed to be entered into by the Company.

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 137:**

Directors and others' right to indemnity

Subject to the Section 201 of the Act, every Director, Manager and other officer or servant of the Company shall be indemnified by the Company and it shall be the duty of the Directors to pay out of the funds of the Company, all costs, losses, damages and

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\* Amended vide O.M. no. BS/ A(15)/87-88 dated 27.10.1988. The original article is reproduced at page 56 to 62.

expenses which any such officer or servant may incur or become liable to by reason of any contract entered in to or act or 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 proceeding 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.

**Article 138:**

No vicarious responsibility

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 tortuous 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 happens through his own negligence, default, breach of duty or breach of trust.

**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.

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

Names, Addresses, Descriptions of Subscribers	Number of shares taken by each subscriber	Signature	Witness
1. President of ,India, (Shri D.S. Joshi), S/o Shri S V Joshi Secretary, Ministry of International Trade, New Delhi. For and on behalf of the President of India.	One lakh and ninety nine thousand nine hundred ninety seven 1,99,997	Sd/- (D.S. Joshi)	(Sd/- J.L. Agarwal) S/o Shri B. Prasad, Secy. State Trading Corporation of India Ltd., Express Building, Mathura Road, New Delhi-1.
2. Shri S. Vohra, S/o Shri S R Vohra Joint Secretary, Ministry of International Trade, New Delhi.	One 1	Sd/- (S.Vohra)	

Dated this 26th day of September 1963.

## **AMENDMENTS MADE IN THE ARTICLES OF ASSOCIATION**

### **Article 3:**

The original Article reads as under:

The Company is to be a \*Private Company and accordingly:

- (a) The number of members for the time being of the Company (exclusive of persons who are for the time being in the employment of the Company and persons who, having been formerly in the employment of the Company, were members of the Company while in that employment and have continued to be members after the employment ceased) is not to exceed fifty, but where two or more persons hold one or more shares in the Company jointly, they shall, for the purposes of this Article, be treated as a single member.
- (b) Any invitation to the public to subscribe for any shares or debenture stock of the Company is hereby prohibited.
- (c) The right of transfer of shares shall be restricted as hereinafter provided.

### **Article 4:**

- (a) The original Article reads as under:

"The authorised share capital of the Company is Rs. 5,00,00,000 (Rupees five crore) divided into 5,00,000 (five hundred thousand) equity shares of Rs. 100/- (one hundred) 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."

- (b) By Resolution dated 31.10.1973, Article was amended to read as under:

"The authorised share capital of the Company is Rs. 8,00,00,000 (rupees eight crore) divided into 8,00,000 (eight lakhs) equity shares of Rs. 100/- (Rupees one hundred) 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. ' ,

- (c) By Resolution dated 26.9.1974, Article was amended to read as under:

"The authorised share capital of the Company is Rs. 12,00,00,000 (Rupees twelve crore) divided into 12,00,000 (twelve lakh) equity shares of Rs. 100/- (Rupees one hundred) 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."

- (d) By Resolution dated 26.9.1977, Article was amended to read as under:

"The authorised share capital of the Company is Rs. 20,00,00,000 (Rupees twenty crore) divided into 20,00,000 (Twenty lakh) equity shares of Rs. 100/- (Rupees one hundred) 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."

- (e) By Resolution dated 30.9.1978, Article was amended to read as under:

"The authorised share capital of the Company is Rs. 25,00,00,000 (Rupees twenty five crore) divided into 25,00,000 (twenty five lakh) equity shares of Rs. 100/- (Rupees one hundred) 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."

- (f) By Resolution dated 29.9.81. Article was amended to read as under:  
The authorised share Capital of the Company is Rs 50,00,00,000 (Rupees fifty crore) divided into 50,00,000 (fifty lakh) equity Shares of Rs 100.00 (Rupees one hundred) each. Provided 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.
- (g) By Resolution dated 28.1.92. Article was amended to read as under:  
The authorised share Capital of the Company is Rs 50,00,00,000 (Rupees fifty crore) divided into 5,00,00,000 (five crore) equity Shares of Rs 10.00 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.
- (h) By Resolution dated 09.7.93 Article was amended to read as under:  
The authorised share capital of the Company is Rs. 100,00,00,000 (Rupees one hundred crore) divided into Rs. 10,00,00,000 (ten core) 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 amounts as it thinks expedient by issuing new shares in the manner prescribed in Section 94 of the Act.

**Article 5:**

The original Article reads as under:

Subject to such directions as the President may issue from time to time, and to the provisions hereinafter contained 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.

**SHARE CERTIFICATE**

**Article 7:**

The original Sub-Article reads as under:

(1) Every person whose name is entered as 11 member in the register of members shall be entitled to receive within three months after allotment or within two months after the application for registration of transfer (or within such other period as the conditions of issue shall provide):-

- (a) one certificate 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.

**Article 8:**

The original Article reads as under:

If a share certificate is defaced, lost or destroyed, it may be renewed on payment of a fee of fifty Paise 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.

**LIEN**

**Article 9:**

The original Article reads as under:

(1) The Company shall have a first and paramount lien:-

- (a) On every share (not being a fully paid share), for all moneys (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and

(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 provision of this clause

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

**Article 18:**

The original Sub-Article reads as under:

The Board-

(b) upon all or any of the moneys so advanced, may (until the same would, but for such advance, become presently payable) unless the company in general meeting shall otherwise direct pay interest at such rate not exceeding 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.

**TRANSFER OF SHARES**

**Article 19:**

The original Sub-Article reads as under:

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

(a) A share may be transferred by a member or other person entitled to transfer to a person approved by the President;

(b) Subject as aforesaid, the Directors may, in their absolute and uncontrolled discretion, refuse to register any proposed transfer of shares;

(c) If the Directors refuse to register the transfer of any shares, they shall, within two months, send to the transferee and the transferor notice of the refusal.

**Article 21:**

The original Article reads as under:

Shares in the company shall be transferred in the following form, or in any usual or common form which the Board shall approve:-

"I, A.B. of ..... in consideration of the sum of rupees .....paid to me by C.D.of ..... (hereinafter called the "transferee") do hereby transfer to the transferee the share (or shares) numbered ..... to ..... inclusive, in the undertaking called the Minerals & Metals Trading Corporation of India Limited, to hold unto the said transferee, his executors, administrators and assigns, subject to the several conditions on which I held the same immediately before the execution hereof; and I, the transferee, do hereby agree to take the said share (or shares) subject to the conditions aforesaid.

As witness our hands this

day of

Witness to the signatures of, etc."

**Article 24:**

The original Sub-Article reads as under:

The Board may also decline to recognise any instrument of transfer unless:

(a) a fee of two rupees is paid to the company in respect thereof;

**Article 26:**

The original Article reads as under:

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.

**Article 52:**

The original Article reads as under:

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.

**PROCEEDINGS AT GENERAL MEETING**

**Article 70:**

The original Sub-Article reads as under:

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

**Article 72:**

The original Article reads as under:

"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 number to be Chairman of the meeting."

**Article 87 (1):**

(a) The original sub-article reads as under:

"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 12 and less than 4. The Directors will not be required to hold any qualification shares."

(b) By Resolution dated 25.9.1972, sub-article was amended to read as under:

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 15 and less than 4. The Directors will not be required to hold any qualification shares.

**Article 87 (2):**

The original sub-article reads as under:

"The Directors shall be appointed by the President in such number and for such period as he may determine from time to time. The Directors so appointed shall be entitled to such pay and allowances, travelling allowances, leave, provident fund, medical and other facilities as may be determined by the President at the time of their appointment or thereafter."

**Article 87 (3):**

The original sub-article reads as under:

"At every Annual General Meeting of the Company all the Directors, except the Chairman & Managing Director, shall retire from office. He shall retire on his ceasing to hold the office. A retiring Director shall be eligible for reappointment."

**Article 87(4)(A):**

The sub-article 87(4)(A) inserted after the existing sub-article 87(4) vide resolution passed at 38<sup>th</sup> AGM held on 28.9.2001 reads as under:

"The Chairman-cum-Managing Director of the Company shall not be a Director liable to retirement by rotation and his number shall be taken into account in the 1/3rd of the number of Directors in the office who are not liable to retire by rotation."

**Article 87 (8):**

(a) The original sub-article reads as under:

"The President may appoint one of the Directors to be the Chairman of the Board of Directors and another Director as Managing Director and one or

more Directors as Executive Director (s), and also constitute Committees of one or more Directors, for such terms and on such remuneration as he may determine from time to time and may remove him or them from office and appoint another in his or their place (s)."

"The President may also appoint any person to be the Financial Adviser and or Chief Accounts Officer for such period and on such terms and for such remuneration as he may determine from time to time and may remove such person or persons from office and appoint another in his or their place (s)."

(b) By Resolution dated 7.6.1969, sub-article was amended to read as under:

"The President may appoint one of the Directors to be the Chairman of the Board of Directors and another Director as Managing Director and one or more Directors as Executive Directors in consultation with the Chairman, and also constitute Committees of one or more Directors, for such terms and on such remuneration as he may determine from time to time and may remove him or them from office and appoint another in his or their place(s)."

"The President may also appoint General Managers of Constituent Units in consultation with the Board of Directors for such period and on such terms and for such remuneration as he may determine from time to time and may remove such person or persons from office and appoint another in his or their place(s)."

(c) By Resolution dated 25.9.1972, sub-article was amended to read as under:

"The President may appoint one of the Directors to be the Chairman of the Board of Directors and another Director as Managing Director and one or more Directors as Executive Directors in consultation with the Chairman, for such terms and on such remuneration as he may determine from time to time and may remove him or them from office and appoint another in his or their place(s)."

"The President may also appoint General Managers of Constituent Units in consultation with the Chairman for such period and on such terms and for such remuneration as he may determine from time to time and may remove such person or persons from office and appoint another in his or their place(s)."

#### **Article 89 (2):**

(a) The original sub-article reads as under:

"To authorise the undertaking of works of a capital nature and the acquisition of capital assets of an immovable nature, subject to the condition that all cases involving ~ capital expenditure exceeding Rs. 10 lakh shall be referred to the President for his approval before authorisation. "

(b) By Resolution dated 25.9.1972, sub-article was amended to read as under:

"To authorise the undertaking of works of a capital nature and the acquisition of capital assets of an immovable nature, subject to the condition that all cases involving a capital expenditure exceeding Rs. 15 lakhs shall be referred to the President for his approval before, authorisation."

(c) By Resolution dated 26.9.1974, sub-article was amended to read as under:

"To authorise the undertaking of works of a capital nature and the acquisition of capital assets of an immovable nature, subject to the condition that all cases involving a capital expenditure exceeding Rs. 20 lakh shall be referred to the President for his approval before authorisation."

(d) By Resolution dated 26.9.1979, sub-article was amended to read as under:

"To authorise the undertaking of works of a capital nature and the acquisition of capital assets of an immovable nature, subject to the condition that all cases involving a capital expenditure exceeding Rs. 20 lakh shall be referred to the President for his approval before authorisation."

(e) By Resolution dt 4.3..85 the sub-article was amended to read as under:

To authorise the undertaking of works of a capital nature and the acquisition of capital assets of an immovable nature, subject to the condition that all



cases involving a capital expenditure exceeding Rs.2 crore shall be referred to the President for his approval before authorisation;

**Article 89 (5):**

(a) The original sub-article reads as under:

"To create post and make appointment thereof 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 amounts as they think fit. Provided that no post, carrying pay exceeding Rs. 2250/- p.m. will be created or appointments thereto made without the prior approval of the President. In the case of the employment of retired Government servants the limit of Rs. 2250/- will be raised to Rs. 3000/- inclusive of pension or the pensionary equivalent."

(b) By Resolution dated 7.6.1969, sub-article was amended to read as under:

"To create posts below the Board level irrespective of pay and to make appointments and at their discretion to censure, withhold 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 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 powers and duties and fix their salaries or emoluments, and to require security in such instances and of amounts as they think fit. Provided that no appointment of any person whether from 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 exceeds Rs. 2,500/- per month."

**Article 95 (1):**

The original sub-article reads as under:

"The Board of Directors may meet for despatch of a business, adjourn and otherwise regulate its meetings, as it thinks fit." "Provided that the Directors shall hold a meeting at least once in every three calendar months and not more than two months shall intervene between the last day of the calendar month in which such meetings is held and the date of the next meeting".

**Article 95 (6) (i):**

(a) The original sub-article reads as under:

"Any programme of capital expenditure exceeding Rs., 10 lakhs".

(b) By Resolution dated 31.10.1973, sub-article was amended to read as under:

"Any programme of capital expenditure exceeding Rs. 15 lakhs."

(c) By Resolution dated 26.9.1974, sub-article was amended to read as under:

"Any programme of capital expenditure exceeding Rs. 20 lakhs."

(d) By Resolution dated 26.9.1979, sub-article was amended to read as under:

"Any programme of capital expenditure exceeding Rs. 50 lakhs."

(e) By Resolution dated 4.3.85, sub article was amended to read as under:

"Any programme of capital expenditure exceeding Rs. 2 crore."

**Article 96(c):**

The original sub-article reads as under:

"Of all proceedings of every general meeting and of all proceedings of every meeting of the Board of Directors or of every committee of the Board within 14 days of the conclusion of every such meeting concerned in books kept for that purpose with their pages consecutively numbered as required under Section 193. Minutes of meetings so kept should be evidence of the proceedings recorded therein, and every Director present at any meetings of Directors or Committee of Directors shall sign his name in a book to be kept for that purpose".

**Article 120:**

The original article reads as under:

All dividends unclaimed for one year after having been declared may be invested or otherwise made use of by the directors for the benefit of the Company until claimed, and all dividends, unclaimed for six years after having been declared may be forfeited by the Directors for the benefit of the Company and if the Directors think fit, they may be applied in augmentation of the reserve fund.

**Article 136:**

The original Article reads as under:

"Notwithstanding anything contained in any of these Articles, the President may from time to time issue such directions or instructions as he may consider necessary in regard to the finances, conduct of business and affairs of the company or Directors thereof and in like manner may vary and annul any such direction and instruction. The Company shall give immediate effect to the directions or instructions so issued".

(a) By Resolution dated 25.9.72 the article was amended to read as under:

Notwithstanding anything contained in any of these Articles, the President may, from time to time, issue such directive or instructions as may be considered necessary in regard to the finances, 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 Company 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 Company as may be required from time to time;
- (iii) to improve the Company's five year and annual plans of development and the Company's capital budget; and
- (iv) to approve agreements involving foreign collaboration proposed to be entered into by the Company.