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MEMORANDUM
AND
ARTICLES OF ASSOCIATION
OF
HINDUSTAN ORGANIC CHEMICALS LIMITED

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सुब्रमण्यन एच SUBRAMONIAN. H
कंपनी सचिव COMPANY SECRETARY
सदस्यता संख्या MEMBERSHIP No.28380
हिन्दुस्तान ऑर्गेनिक केमिकल्स लिमिटेड
HINDUSTAN ORGANIC CHEMICALS LTD
अंबलमुगल AMBALAMUGAL - 682 302
एरणाकुलम, केरल ERNAKULAM, KERALA

MEMORANDUM OF ASSOCIATION

OF

HINDUSTAN ORGANIC CHEMICALS LIMITED

1. The name of the Company is HINDUSTAN ORGANIC CHEMICALS LIMITED

Clause 2. The Registered office of the Company will be situated in the State of Kerala

As amended in the 61st AGM held on 29th September, 2022

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

3.1 To carry on in India and elsewhere the business of manufacturing, storing, packing, producing, processing, converting and formulating, using, buying or otherwise acquiring, transporting, selling, distributing, dealing in and disposing :-

3.1.1. All Aromatic and Aliphatic organic chemicals, inorganic chemicals, chemical products of every nature and description and by-products thereof.

3.1.2. Coke ovens products, coal tar distillation products and petroleum refinery products.

3.1.3. All inorganic acids including specifically sulphuric acid, nitric acid, hydrochloric acid, chloro-sulphonic acid, phosphoric acid, their salts and products made therefrom.

3.1.4. All organic acids including specifically acetic acid, oxalic acid, formic acid, propionic acid, citric acid and their salts and products made therefrom.

3.1.5. All alkalies including specifically caustic soda, caustic potash, soda ash, barium hydroxide, ammonia and their salts and products therefrom.

3.1.6. All chemicals, chemical products and gases including specifically metallic sodium, chlorine, hydrosulphite of soda, sodium bisulphite, sodium sulphide, aluminium oxide, magnesium oxide and lead oxide, phosgene, sodium bromide, sodium cyanide, potassium ferrocyanide, phosphorus trichloride, phosphorous pentasulphide, potassium permanganate, calcium carbonate, nitrogen and hydrogen.

3.1.7. All synthetic dyestuffs, colouring agents and organic pigments including carbon black.

3.1.8. Synthetic drugs, pharmaceuticals, fine chemicals, disinfectants, antiseptics and preservatives.

III

सुब्रमण्यन एच SUBRAMONIAN. H
कंपनी सेक्रेटरी COMPANY SECRETARY

सदस्यता संख्या MEMBERSHIP No: 8380

हिन्दुस्तान ऑर्गेनिक केमिकल्स लिमिटेड
HINDUSTAN ORGANIC CHEMICALS LTD
अंबलानुगल - 692 002
एर्नाकुलम, केरल ERNAKULAM, KERALA

Note Clause 2 Registered office of the Company shifted from Maharashtra to Kerala vide Special resolution passed on 29.09.2022 in the AGM of the Company.

- 3.1.9 Inorganic pigments and colours.
- 3.1.10. Fertilizers and allied products.
- 3.1.11 Rubber processing chemicals for use as accelerators, anti-oxidants and retarders.
- 3.1.12 Chemicals explosives and ancillary products.
- 3.1.13 Plastic, Synthetic resins and surface coating materials.
- 3.1.14 Synthetic fibres including nylon, acrylo nitrile and polyester fibres.
- 3.1.15 Surface active agents including synthetic detergents and textile auxiliaries.
- 3.1.16 Agricultural chemicals of all kinds including insecticides, fungicides, weedicides, rodenticides.
- 3.1.17 Flavours, essences and perfume materials.
- 3.1.18 Plasticisers.
- 3.1.19 Solvents.
- 3.1.20 Synthetic fuels including synthetic petrol, hydrogen peroxide, methanol and hydrazine.
- 3.1.21 Anti-knock agents and fuel oil additives.
- 3.1.22 Poly-hydroxy alcohols.
- 3.1.23 Refrigerants.
- 3.1.24 Cellulose acetate and all products and materials derived therefrom including plastics, fibres and films, photographic or otherwise.
- 3.1.25 Synthetic rubber of all kinds and descriptions and chemical raw materials of whatsoever kind required for their manufacture.
- 3.2 To carry on business as manufacturers, buyers and sellers of and dealers in glass, earthenware, rubber, plastic, paper, paper-board, metal and wood containers, receptacles and packing accessories of whatsoever description;
- 3.3 To render consultancy service and act as consultants, in chemical processes and engineering, management science, marketing and market research, computers and systems development or any other fields and for this purpose, to establish, maintain and operate consultancy organisations, carry out market surveys, prepare feasibility reports and to sell, erect, install, operate, maintain and repair all types of plant, machinery and equipment and to do all or any other things as may be thought expedient or conducive to this object either as principals, agents, trustees, contractors or otherwise and either by

or through agents, contractors, trustees, or otherwise, and either alone or in connection with others.

- 3.4 To carry on the business of electricians, suppliers of electricity for the purposes of light, heat, motive-power or otherwise and manufacturers of and dealers in apparatus and things required for or capable of being used in connection with the generation, distribution, supply, accumulation and employment of electricity, galvanism, magnetism or otherwise;
- 3.5 To carry on business as timber merchants, saw-mill proprietors and timber growers, and to buy, sell, grow prepare for market, manipulate, import, export and deal in timber and wood of all kinds, and to manufacture and deal in articles of all kinds, in the manufacture of which timber or wood is used, and to buy, clear, plant and work timber estates;
- 3.6 To carry on business as fitters, tool makers, brass and other metal founders, metal workers, moulders, millwrights, rod millers, machinists, wire drawers, tube, pipe and tank manufacturers, smiths, gas makers, welders, electroplaters and the like and in that context to manufacture, buy, sell, exchange, instal, work, alter, improve, manipulate, prepare for market, import or export and otherwise deal in all kinds of plant, machinery and equipment, apparatus, tools, utensils, substances, materials and things necessary or convenient therefor;
- 3.7 To carry on business as ship owners and charterers, carriers by land, sea and air, wharfingers, warehousemen and barge-owners;
- 3.8 To carry on business as printers, lithographers, binders and publishers;
- 3.9 To carry on any other business (manufacturing or otherwise) which may seem to the Company capable of being conveniently carried on in connection with these objects or calculated directly or indirectly to enhance the value of or render profitable any of the Company's property or rights or which it may be advisable to undertake with a view to improving, developing, rendering valuable or turning to account any property movable or immovable belonging to the Company in which the Company may be interested;
- 3.10 To acquire, use, develop or otherwise turn to account any method, system or process of construction by the use of steel, iron, cement, concrete, wood, and other material or any combination thereof in connection with the business of the Company;
- 3.11 To carry on all kinds of exploration business, and in particular to search for, prospect, examine and explore mines and ground supposed to contain minerals or precious stones, and to search for and obtain information in regard to mines, mining claims, mining districts and localities and to purchase or otherwise acquire, and to sell, dispose off and deal with mines and mining rights, and property supposed to contain minerals or precious stones of all kinds, and undertakings connected therewith and to work, exercise, develop and turn to account mines and mining rights, and any undertakings connected therewith and to buy, sell, dress, refine, manipulate, prepare for the market and deal in minerals of all kinds;

V

H. HANDESHI
MEMBERSHIP No. 28300
HINDUSTAN ORGANIC CHEMICALS LTD.
AMBALAMUGAL - ERNAKULAM - KERALA

सुब्रमण्यन एच SUBRAMONIAN. H
कंपनी सचिव COMPANY SECRETARY
सदस्यता संख्या MEMBERSHIP No. 28300
हिन्दुस्तान ऑर्गेनिक केमिकल्स लि.
HINDUSTAN ORGANIC CHEMICALS LTD.
अंबलमुगल AMBALAMUGAL - ERNAKULAM
एरणाकुलम, केरल ERNAKULAM, KERALA

- 3.12 To apply for, tender, purchase or otherwise acquire any contract and concessions for or in relation to the construction, execution, carrying out, equipment, improvement, management, administration or control of works and conveniences, and to undertake, execute, carry out, dispose off, or otherwise turn to account the same;
- 3.13 To act as agents for Government or other authorities or any manufacturers, merchants and others and to transact and carry on agency business of every kind and of any description;
- 3.14 To establish and maintain agencies, branch places and local registers to procure registration or recognition of the Company and to carry on business in any part of the world and to take such steps as may be necessary to give the Company such rights and privileges in any part of the world as are possessed by local companies or partnerships or as may be thought desirable;
- 3.15 To enter into any arrangements with Government of India or any other Government or State or Local authority or any person for the purpose of carrying out the objects of the Company or furthering its interests directly or indirectly, and to obtain from such Government or authority or person any charters, subsidies, loans, indemnities, grants, contracts, licences, decrees, rights, sanctions, concessions, protection, privileges or immunities whatsoever (whether statutory or otherwise) which the Company may think it desirable to obtain and carry out, exercise and comply with any such arrangements, right, sanctions, privileges, licences or concessions;
- 3.16 To purchase, take on lease, hire or acquire in exchange or concession or otherwise, absolutely or conditionally, solely or jointly with others, any property, rights or privileges which the Company may think necessary or convenient for the purposes of its business; and make, construct, maintain, work, acquire, hire, hold, improve, alter, manage, let, sell, dispense or exchange, carry out or control roads, embankments, ferries, piers, wharves, quays, sheds, landing grounds, hangers, garages, accommodation of all kinds for air, sea and land traffic, water-ways, lands, buildings and building yards, pipe lines, foundries, warehouses, works, factories, workshops, sidings, tramways, engines, machinery and apparatus, gas works, electric works, water rights, way leaves, estates, utilities and other services calculated directly or indirectly to advance the Company's interests; and to contribute to, subsidise or otherwise assist or take part in the establishment, construction, improvement, maintenance, working, management, carrying out, superintendence or control thereof;
- 3.17 To develop and turn to account any land acquired by the Company or in which it is interested, and in particular by laying out and preparing the same for building purposes, constructing, altering, pulling down, decorating, maintaining, fitting up, and improving building, and by planting, paving, draining, farming, cultivating and letting on building lease or building agreement, and by advancing money to and entering into contracts and arrangements of all kinds with builders and others;

VI

सुब्रमण्यन एच SUBRAMONIAN. H
 कंपनी सचिव COMPANY SECRETARY
 सदस्यता संख्या MEMBERSHIP No.28380
 हिन्दुस्तान ऑर्गेनिक केमिकल्स लिमिटेड
 HINDUSTAN ORGANIC CHEMICALS LTD
 अंबलमुगल AMBALAMUGAL - 682 302
 एरणाकुलम, केरल ERNAKULAM, KERALA

- 3.18 To acquire, build, provide and maintain dams, tube wells, barrages, sluices, embankments, tanks, bridges, aqueducts, reservoirs, irrigation works, reclaimed land, infiltration galleries and other works, and like contrivances and drill and sink wells for the purpose of securing adequate supplies of water required in any way in connection with the business of the Company, or as incidental thereto, or for supplies to the township or sale to the public for irrigation, domestic, sanitation, industrial and other purposes and to store, maintain, sell or loan such supplies;
- 3.19 To sell or dispose off the undertaking of the Company and all or any of the property or effects of the Company for cash or for stock, shares, or securities of any other company or for other consideration as the Company may think fit;
- 3.20 To promote and undertake the formation of any institution or company for the purpose of acquiring all or any of the properties and liabilities of this Company or for any other purposes which may seem directly or indirectly calculated to benefit this Company or form any subsidiary company or companies;
- 3.21 To enter into partnership or into any arrangement for joint working, sharing or pooling profits, amalgamation, union of interest, co-operation, joint adventure, reciprocal concession, or otherwise or amalgamate with any person or company carrying on or engaged in or about to carry on or engage in any business or transaction which this Company is authorised to carry on or engage in, or any business, undertaking or transaction which may seem capable of being carried on or conducted so as directly or indirectly to benefit this Company;
- 3.22 To subscribe for, underwrite, purchase, or otherwise acquire, and to hold, dispose off, and deal with the shares, stocks, securities and evidences of indebtedness or the right to participate in profits or other similar documents issued by any Government, authority, corporation or body, or by any company or body of persons, and any options or rights in respect thereof, and to buy and sell foreign exchange;
- 3.23 To accumulate funds and to invest or otherwise employ moneys belonging to or with the Company in the purchase or acquisition of any shares, securities or other investments whatsoever whether movable or immovable upon such terms as may be thought proper and from time to time to vary all or any such investments in such manner as the Company may think fit;
- 3.24 To acquire any shares, stocks, debentures, debenture-stock, bonds, obligations, or securities by original subscription, participation in syndicates, tender, purchase, exchange or otherwise and to subscribe for the same, either conditionally or otherwise, and to guarantee the subscription thereof and to exercise and enforce all rights and powers conferred by or incidental to the ownership thereof;
- 3.25 To guarantee the payment of money unsecured or secured by or payable under or in respect of promissory notes, bonds, debentures, debenture stock, contracts, mortgages, charges, obligations, instruments and securities of any company or of any authority, supreme, municipal, local or otherwise or of

any person whomsoever, whether incorporated or not incorporated, and generally to guarantee or become sureties for the performance of any contracts or obligations;

- 3.26 To act as agents of any company or concern and to do and perform all and singular or several duties, services and authorities appertaining to such offices respectively and to comply with and to become bound by all restrictions, limitations and conditions appertaining to such offices respectively or imposed by the terms of any agreement or agreements entered into for any of the purposes aforesaid;
- 3.27 To employ or pay experts, foreign consultants, etc., in connection with the planning and development of all business connected with the Company's operations;
- 3.28 To create any depreciation fund, reserve fund, sinking fund, insurance fund or any special or other fund whether for depreciation or for repairing, improving, extending or maintaining any of the property of the Company or for redemption of debentures or redeemable preference shares or for special dividends or equalising dividends or for any other purpose whatsoever, and to transfer any such fund or part thereof to any of the other funds herein mentioned;
- 3.29 To make, draw, accept, endorse, discount, execute and issue cheques, promissory notes, bills of lading, warrants, debentures and other negotiable or transferable instruments;
- 3.30 To pay all the costs, charges and expenses of and incidental to the promotion, formation, registration and establishment of the Company and the issue of its capital and to remunerate or make donations to (by cash or other assets or by the allotment of fully or partly paid shares or by a call or option on shares, debentures, debenture stock or securities of this or any other company or in any other manner, whether out of the Company's capital or profits or otherwise) any person, persons, or company for services rendered or to be rendered in placing or assisting to place or guaranteeing the placing of any of the shares in the Company's capital or any debentures, debenture stock or other securities of the Company or in the conduct of its business or in introducing any property or business to the Company or for any other reason which the Company may think proper;
- 3.31 To borrow or raise or secure the payment of money in such manner as the Company shall think fit, and in particular by the issue of debentures or debenture stock, perpetual or otherwise, charged upon all or any of the Company's property (both present and future), including its uncalled capital and to purchase, redeem, or pay off any such securities;
- 3.32 To receive grants, loans, advances or other moneys on deposit or otherwise from State or Central Government, Banks, Companies, Trust or individuals with or without allowance of interest thereon;
- 3.33 To lend money to such persons or companies and on such terms as may seem expedient, and in particular to customers and others having dealing with

Company, and to guarantee the performance of contracts by any such persons or companies;

- 3.34 To establish agencies in India and elsewhere and to regulate and discontinue the same;
- 3.35 To adopt such means of making known the business of the Company or of any company in which this Company 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 establishing competitions and granting prizes, rewards, premia and donations;
- 3.36 To apply the assets of the Company in any way in or towards the establishment, maintenance or extension of any association, institution or fund in anyway connected with any particular trade or business or with scientific research, industry or commerce generally and particularly with the business and activities of the Company including any association, institution or fund for the protection of interests of masters, owners and employers against loss by bad debts, strikes, combinations, fire, accidents or otherwise;
- 3.37 To dedicate, present or otherwise dispose off either voluntarily with or without consideration 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 authority or any trustees for or on behalf of any of the same or of the public;
- 3.38 To apply for and take out, purchase or otherwise acquire any trade marks, patents, breveted invention, licences, copyrights, concessions, and the like conferring any exclusive or non-exclusive or limited right to use 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 calculated directly or indirectly to benefit the Company, and to use, carry out, exercise, develop and turn to account the property, rights or information so acquired and to grant licences to use the same;
- 3.39 To establish, provide, maintain and conduct or otherwise subsidise in India or in any part of the world, educational and training institutions, research laboratories and experimental workshops for scientific and technical research and experiments, to undertake and carry on scientific and technical researches, experiments and tests 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 remuneration 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 and to enter into any arrangement with Government or any other party in India or elsewhere for the purposes aforesaid.

- 3.40 To install and work pilot, proto-type or semi scale units or full commercial plants, to develop a particular invention or inventions and ensure production from such invention or inventions, to sell or otherwise dispose off the products of such inventions on payment or otherwise and generally on such terms and conditions as may be deemed fit;
- 3.41 To provide for the amelioration and welfare of persons employed or formerly employed by the Company and the wives, families, dependents or connections of such persons by building or contributing to the building of houses, dwellings or chawls or by grants of money, pensions, allowances, bonuses or other payments or by creating and from time to time subscribing or contributing to Provident Fund and other Associations, Institutions, Fund or Trusts and by providing or subscribing or contributing towards places of instructions and recreation, hospitals and dispensaries, medical and other attendance, public health installations, transport services, markets, shops, and stores and other assistance as the Company shall think fit;
- 3.42 To appropriate, use or lay out land belonging to the Company for streets, parks, pleasure grounds, allotments, and other conveniences and to present any such land so laid out to the public or to any persons or company conditionally or unconditionally as the Company thinks fit;
- 3.43 To establish, maintain and operate general educational institutions, schools and colleges and hostels for the benefit of the children of the employees or ex-employees of the Company, their dependents or connections of such persons and others and to make grants and awards and grant scholarships;
- 3.44 To establish, maintain and operate technical training institutions and hostels for engineers of all types, 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 categories of officers, workers, clerks, store-keepers and other personnel likely to be useful to or assist in any business which the Company is authorised to carry on;
- 3.45 To do all or any of the above things and all such other things as are incidental or as may be thought conducive to the attainment of the above objects or any of them in India or at any other part of the world, either as principals, agents trustees, contractors or otherwise and either by or through agents, contractors, trustees or otherwise, and either alone or in connection with others;

AND it is hereby declared that :

- (i) in the interpretation of this clause the powers conferred on the Company by any paragraph shall not be restricted by reference to any other paragraph, or to the name of the Company, or by the juxtaposition of two or more objects, and that, in the event of ambiguity this clause and every paragraph hereof shall be construed in such a way as to widen, and not to restrict, the powers of the Company; and
- (ii) the word "company" save when used in reference to this Company; in this clause, shall be deemed to include any partnership or other

X

सुब्रमण्यन एच SUBRAMONIAN. H
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 हिन्दुस्तान ऑर्गेनिक केमिकल्स लिमिटेड
 HINDUSTAN ORGANIC CHEMICALS LTD
 अंबलमुगल AMBALAMUGAL - 682 302
 एरणाकुलम, केरल ERNAKULAM, KERALA

body of persons, whether incorporated or not incorporated, whether domiciled in India or elsewhere.

4. Provided that notwithstanding anything hereinabove contained the Company shall not carry on any business falling within the purview of the Banking Companies Act and the Insurance Act.
5. The liability of the members is limited.

Clause 6 (substituted w.e.f. 28.9.2007)

b. The Share Capital of the Company is Rs.370,00,00,000 (Rs. three hundred and seventy crore) divided into 10,00,00,000 (Ten crore) equity shares of Rs.10 each and 27,00,00,000 (twenty seven crore) 8% non-cumulative redeemable preference shares of Rs.10 each with the rights, privilege and conditions attaching thereto as may be provided by the Articles of Association of the company for the time being with 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, guaranteed, qualified or special rights, privileges and conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify, amalgamate, or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the Articles of Association of the Company but subject always to the provisions of the Companies Act (1 of 1956)



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

Name of subscriber	Address, description and occupation, if any.	No of Shares	Signature of subscriber	Signature of witnesses and their addresses, description and occupation
1	2	3	4	5
1. President of India		1	Sd/- (S. Ranaganathan) Secretary, Ministry of Commerce and Industry, New Delhi for and on behalf of the President of India	
2. Shri K. B. Lal	Additional Secretary Ministry of Commerce and Industry, New Delhi.	1	Sd/- (K. B. Rao)	
3. Shri K. B. Rao	Officer on Special Duty, Ministry of Commerce and Industry and Managing Director, National Industrial Development Corporation Limited, New Delhi.	1	Sd/- (K. B. Rao)	
4. Shri T. A. S. Balakrishnan	Deputy Secretary, Ministry of Commerce and Industry, New Delhi.	1	Sd/- (T. A. S. Balakrishnan)	
Total number of shares taken		4		

Dated this day of November, 1960

XI

सुब्रमण्यन एच SUBRAMONIAN, H
कंपनी सचिव COMPANY SECRETARY
सदस्यता संख्या MEMBERSHIP No 28380
हिन्दुस्तान ऑर्गेनिक केमिकल्स लिमिटेड
HINDUSTAN ORGANIC CHEMICALS LTD
अंबलमुगल AMBALAMUGAL - 662 302
एरणाकुलम, केरल ERNAKULAM, KERALA

HINDUSTAN ORGANIC CHEMICALS LTD.
AMBALAMUGAL
KERALA

ARTICLES OF ASSOCIATION
OF
HINDUSTAN ORGANIC CHEMICALS LIMITED
PRELIMINARY

For Hindustan Organic Chemicals Limited

1. In these Articles, unless there be something in the subject or context inconsistent therewith :

"The Company" means the above named company.

"The Act" means the Companies Act (1 of 1956) or Acts for the time being in force containing the provisions of the legislature in relation to companies and affecting the Company.

"The President" means the President of India.

"The Central Government" means the Government of India.

"The Chairman" means the Chairman of the Board of Directors for the time being of the Company.

"Directors" means the Directors of the Company for the time being or the Directors assembled at a Board.

"The Office" means the Registered Office for the time being of the Company.

"The Seal" means the common seal for the time being of the Company.

"Dividend" includes bonus.

"In writing" or "written" includes printing, lithography and other modes of representing or reproducing words in a visible form.

"Month" means a calendar month.

Words importing masculine gender include the feminine gender.

Subject as aforesaid, any words or expressions defined in the Act shall, except where the subject or context forbids, bear the same meaning in these Articles.

2. The regulations contained in Table A in the First Schedule to the Act shall not apply to the Company.
3. The regulations for the management of the Company and for the observance of the members thereof and their representatives shall, subject as aforesaid and 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 resolution, as prescribed or permitted by the Act, be such as are contained in these Articles.
4. Deleted.



Article 5 (substituted w.e.f. 28.9.2007)

CAPITAL

The Share Capital of the Company is Rs.370,00,00,000 (Rs. three hundred and seventy crore) divided into 10,00,00,000 (Ten crore) equity shares of Rs.10 each and 27,00,00,000 (Twenty seven crore) 8% non cumulative redeemable preference shares of Rs.10 each.

6. Except to the extent allowed by the Act, no part of the funds of the Company shall be employed in the purchase of or in loans upon the security of the Company's shares.
7. The shares shall be under the control of the Directors, who may, allot or otherwise dispose off the same to such persons on such terms and condition and at such times as the Directors think fit and with full powers to give to any person the call of any shares whether at par or at a premium or (subject to provisions of the Act) at a discount and for such time and for such consideration as the Directors think fit. Provided that option or right to call of shares shall not be given to any person or persons without the sanction of the company in General Meeting.
8. If at any time the capital is divided into different classes of shares the rights attached to any class (unless otherwise provided by the terms of Issue of the shares of that class) may subject to the provisions of the Act and whether or not the Company is wound up be varied :-
 - (a) with the consent in writing of the holders of not less than three - fourth of the issued shares of that class; or
 - (b) with the sanction of a resolution passed at a separate meeting of the holders of those shares and supported by the vote of the holders, not being less than three-fourth of those shares.

To every such separate meeting the provisions of these regulations relating to general meetings shall mutatis mutandis apply; but so that the necessary quorum shall be two persons at least holding or representing by proxy one-third of the issued shares of the class in question.

This Article is not by implication to curtail the power of modification which the Company would have if the Article were omitted.

9. Every person whose name is entered as a member in the register of members shall, without payment, be entitled to receive within three months after allotment or within one month after the application for registration of transfer a certificate under the seal of the company, in such form as the Directors shall prescribe or approve, specifying the share or shares held by him and the amount paid thereon.

Provided that, in respect of a share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate and delivery of a certificate for a share to one of several joint-holders shall be sufficient delivery to all.

10. If a share certificate is defaced, lost or destroyed, it may be renewed in accordance with the Companies (Issue of Share Certificates) Rules, 1960.

UNDERWRITING & BROKERAGE

11. The Company may at any time pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares, debentures or debenture stock of the Company or procuring or agreeing to procure subscriptions (whether absolute or conditional) for any shares, debentures or debenture stocks of the Company but so that if the commission in respect of shares shall be paid or payable out of capital or out of the profits, the statutory conditions and requirements shall be observed and complied with and the amount or rate of commission in case of shares shall not exceed 5% of the price at which the shares are issued and in case of debentures 2 1/2% of the price at which the debentures are issued. The commission may be paid or satisfied in cash or in shares, debentures or debenture stocks of the Company.

CALLS, LIEN AND FORFEITURE OF SHARES

12. The Directors may from time to time make such calls as they think fit upon the members in respect of all moneys unpaid on the shares held by them respectively and not by the conditions of allotment thereof made payable at fixed times, and each member shall pay the amount of every call so made on him to the persons and at the times and places appointed by the Directors. A call may be made payable by instalments.

Provided, however, that the Directors may from time to time at their discretion extend the time fixed for the payment of any call.

13. If the sum payable in respect of any call be not paid on or before the day appointed for payment thereof, the holder for the time being or allottee of the share in respect of which a call shall have been made shall pay interest on the same at such rate not exceeding 6 per cent per annum as the Directors shall fix, from the day appointed for the payment thereof to the time of actual payment, the Directors may waive payment of such interest wholly or in part.
14. The joint-holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
15. (a) The Directors may, if they think fit, receive from any member willing to advance the same, all or any part of the moneys due upon the shares held by him beyond the sums actually called for, and, upon the moneys so paid in advance or so much thereof as from time to time exceeds the amount of the calls then made upon the share in respect of which such advance has been made, the company may pay interest at such rate (not exceeding, without the sanction of the company in general meeting, six per cent per annum) as the members paying such sum in advance and the Directors agree upon, and the Directors may at any time repay the amount so advanced upon giving to such member three months' notice in writing.

(b) Monies paid in advance of calls shall not confer in respect thereof any right to dividends or to participate in the profits of the company.

16. The company shall have a first and paramount lien upon all the shares (other than fully paid-up shares) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares and no equitable interest in any shares shall be created except upon the footing and condition that Article 25 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.
17. The Company may sell, in such manner as the Directors shall think fit, any shares on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable, nor until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of 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 by reason of his death or insolvency to the share.
18. The proceeds of the sale shall be applied in payment of such part of the amount in respect of which the lien exists as is presently payable and the residue shall (subject to a like lien for sums not presently payable as existed upon the shares prior to the sale) be paid to the person entitled to the shares at the date of sale. The purchaser shall be registered as the holder of the shares and he shall not be bound to see to the application of the purchase-money, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the sale.
19. (1) If a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Directors may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.
 - (2) The notice aforesaid shall :
 - (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 payment required by the notice is to be made; and
 - (b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made will be liable to be forfeited.
 - (3) If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Directors to that effect.

- (4) A forfeited share may be sold or otherwise disposed off on such terms and in such manner as the Directors think fit.
 - (5) At any time before a sale or disposal as aforesaid, the Directors may cancel the forfeiture on such terms as they think fit.
20. (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.
- (2) The liability of such person shall cease if and when the Company shall have received payment in full of all such moneys in respect of the shares
21. (1) A duly verified declaration in writing that the declarant is a Director, the Manager or the Secretary of the Company and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share.
- (2) The Company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed off.
- (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.
22. The provisions of these articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share, or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

TRANSFER AND TRANSMISSION OF SHARES

23. The Directors may refuse to register transfer of any share on one or more of the following grounds:
- a) that the instrument of transfer is not proper or has not been duly stamped and executed or that the certificate relating to the share has not been delivered or that any other requirement under the law relating to registration of such transfer has not been complied with.
 - b) that the transfer of share is in contravention of any law.
 - c) that the transfer of share is likely to result in such change in the composition of the Board of Directors as would be prejudicial to the interest of the company or to the public interest.

- d) that the transfer of the share is prohibited by any order of any court, tribunal or other authority under any law for the time being in force.
24. If the Directors refuse to register the transfer of any shares they shall, within one month from the date on which instrument of transfer or intimation of such transfer as the case may be is delivered to the company, send to the transferee and the transferor notice of the refusal. However, registration of a transfer of shares shall not be refused on the ground of the transferor being either or alone or jointly with any other person or persons indebted to the company on any account whatsoever, except a lien on the shares.
25. 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 recognise any benami trust or equity or equitable contingent or other claim to or interest in such share on the part of any person whether or not it shall have express or implied notice thereof.
26. The instrument of transfer of any share in the Company shall be executed both by the transferor and transferee, and 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.
27. Shares in the Company shall be transferred in the form prescribed under the Companies (Central Government's) General Rules and Forms, 1956, as amended from time to time.
28. Deleted.
29. 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.
30. Deleted.
31. The transfer books and register of members may be closed for any time or times not exceeding in the whole 45 days in each year but not exceeding 30 days at a time, after giving not less than seven days' notice in terms of section 154 of the Act.
32. Subject to the provisions of Section 111 of the Act, the Directors shall have the same right to refuse to register a person entitled by transmission to any shares or his nominee, as if he were the transferee named in an ordinary transfer presented for registration.

INCREASE, REDUCTION AND ALTERATION OF CAPITAL

33. Subject to the approval of the President, the Directors may, with the sanction of the Company in general meeting, increase the share capital by such sum, to be divided into shares of such amount, as the resolution shall prescribe.

34. 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.
35. Where at any time after the expiry of two years from the formation of the company or at any time after the expiry of one year from the allotment of shares in the company made for the first time after its formation whichever is earlier, it is proposed to increase the subscribed capital of the company by allotment of further shares, whether out of unissued share capital or out of increased share capital, then such further shares shall be offered to the persons who, at the date of the offer, are holders of the equity share of the company, in proportion, as nearly as circumstances admit, to the capital paid upon these shares at that date. Such offer shall be made by a notice specifying the number of shares offered and limiting a time not being less than fifteen days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined. After the expiry of the time specified in the notice aforesaid or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares to be offered, the Board may dispose of them in such manner as they think most beneficial to the company.
36. The new shares shall be offered to the members in proportion to the existing shares held by each member and such offer shall be made by 28 days' clear notice specifying the number of shares to which the member is entitled. After expiration of such time or on receipt of an intimation from the member to whom such notice is given that he declines to accept the shares offered, the Directors may dispose of the same in such manner as they think most beneficial to the Company.
37. Subject to the approval of the President, the Company may in general meeting alter the conditions of its Memorandum as follows:
- (a) Consolidate and divide all and any of its share capital into shares of larger amounts than its existing shares;
 - (b) Sub-divide shares or any of them into shares of smaller amounts than originally fixed by the Memorandum subject nevertheless to the provisions of the Act in that behalf. Subject to these Articles, the resolution by which any shares are sub-divided may determine that as between the holders of the shares resulting from such sub-division one or more of such shares may be given any preference or advantages or otherwise over the others or any other such shares;
 - (c) Cancel shares which at the date of such general meeting have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.
38. Subject to the provisions of section 100 to 104 of the Act, the Company may, from time to time, with the approval of the President, by special resolution reduce its capital by paying off capital or cancelling capital, which has been lost or is unrepresented by available assets, or is superfluous or by reducing the liability on the shares or otherwise as may seem expedient, and capital may be paid off upon the footing that it may be called up again or otherwise; and the Directors may, subject to the provisions of the Act, accept surrender of shares.

Article 38A Article for Buy Back- Powers of the Company to buy back its own Shares:

38A The Company shall not have power to buy its own shares unless the consequent reduction of capital is effected and sanctioned in pursuance of section 100 to 104 or of section 402.



Notwithstanding anything contained in any other Article of the Article of Association but subject to the provisions of section 77A, 77AA, 77B of the Companies Act 1956 or corresponding provisions, the Rules, Regulations and Guidelines prescribed by the Government of India, the Securities and Exchange Board of India or any other authority, for the time being in force, the Company may purchase its own shares or other specified Securities (herein after referred to as "buy back") out of :-

- I. Its free Reserves or ;
- II. The Securities premium account ;
- III. The proceeds of any shares or other specified Securities.

Provided that no buy back of any kind of shares or other specified securities shall be made out of the proceeds of an earlier issue of the same kind of shares or same kind of other specified securities."

Article 39 (substituted w.e.f. 29.12.1994)

39. Subject to the provisions of sections 58A, 292 and 293 and other applicable provisions if any of the Companies Act, 1956, the Board of Directors (hereinafter referred to as the Board) may from time to time at their discretion by a resolution passed at a meeting of the Board, borrow and/ or accept deposits from members either in advance of calls or otherwise, any sum or sums of money from time to time for the purpose of the Company from any source.

Provided that, where moneys to be borrowed together with moneys already borrowed (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) exceed the aggregate of the paid-up capital of the Company and its free reserves (not being reserves set apart for any specific purpose), the Directors shall not borrow such money without the sanction of the company in General Meeting. No debt incurred by the Company in excess of the limit imposed by this Article shall be valid or effectual unless the lender proves that he advance the loan in good faith and without the knowledge that the limit imposed by this Article had been exceeded.

Article 40 (substituted w.e.f. 29.12.1994)

40. The Directors may subject to the provisions of sections 292 & 293 of the Companies Act, 1956 secure the repayment of such moneys in such manner and upon such terms and conditions in all respects as they think fit and in particular by the issue of bonds, perpetual or redeemable debentures or debenture-stock or any mortgage, charge or other security on the undertaking of the whole or any part of the property of the Company (both present and future) including its uncalled capital for the time being.

Provided that no approval of the members would be necessary for borrowing from the banks for the purpose of meeting the working capital requirements on the hypothecation of the Company's current assets.

41. Debentures, debenture-stock, bonds or other securities may be made assignable free from any equities between the Company and the person to whom he same may be issued
42. Any bonds, debentures, debenture -stocks or other securities issued or to be issued by the Company shall be under the control of the Directors who may issue them upon such terms and conditions and in such manner and for such consideration as they shall consider to be for the benefit of the Company
43. Subject to the approval of the President and subject to the provisions of Section 76 of the Act, any bonds, debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and with any special privileges as to redemption, surrender/drawings, allotment of share, appointment of Directors and otherwise. Debenture/Bonds, Debenture Stock Bonds or other securities with the right to conversion into or allotment of shares shall be issued only with the consent of the company in General Meeting.
44. 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.



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

GENERAL MEETINGS

46. The first annual general meeting of the Company shall be held by the Company within 18 months of its incorporation and thereafter the annual general meeting of the Company shall be held within 6 months after the expiry of each financial year. Except as provided under the Act, no greater interval than 15 months shall be allowed to lapse between two annual general meetings. It shall be held during business hours on a day that is not a public holiday. The notice calling the meeting shall specify it as the Annual General Meeting. The other general meetings which may be called at such time and place as may be determined by the Directors shall be called Extraordinary General Meetings.
47. The Directors may, whenever they think fit, and shall, when required by the President, call an extraordinary general meeting, and extraordinary general meeting shall also be called on such requisition, or in default, may be called by such requisitionists, as provided by the Act. If at any time there are not within India sufficient Directors capable of acting to form a quorum, any Director or any one member of the Company may call an extraordinary general meeting in the same manner as nearly as possible as that in which meetings may be called by the Directors.
48. Subject to the provisions relating to special resolutions hereinafter contained, at least 21 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.
49. The accidental omission to give any such notice to or the non-receipt of any such notice by any member shall not invalidate the proceedings at any meeting.
50. The business of an annual general 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 annual general meeting. All other business transacted at an annual general meeting and all business transacted at an extraordinary general meeting shall be deemed special. All business at an annual general meeting shall be transacted in accordance with section 173 of the Act.
51. Five members present in person of whom one shall be a representative of the President shall be quorum for a general meeting.

52. (1) The President, so long as he is a shareholder of the Company, may, from time to time, appoint one or more persons (who need not be a member of 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 shall be deemed to be a member of the Company and shall be entitled to vote and be present in person and exercise the same rights and powers (including the right to vote by proxy) as the President could exercise as a member of the Company.
- (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.
53. The Chairman of the Directors shall be entitled to take the chair at every general meeting, or if there be no such Chairman, or if at any meeting he shall not be present within fifteen minutes after the time appointed for holding such meeting or is unwilling to act as Chairman, the members present shall choose another Director as Chairman and, if no Director shall be present, or if all the Directors present decline to take the chair, then the members present shall choose one of their number to be Chairman.
54. If within half an hour after the time appointed for the holding of a general meeting a quorum be not present the meeting if convened on the requisition of shareholders shall be dissolved and in every other case shall stand adjourned to the same day in the next week at the same time and place or to such other day, time and place as the Directors may by notice to the shareholders appoint. If at such adjourned meeting a quorum be not present, those members present shall be a quorum and may transact the business for which the meeting was called.
55. The Chairman of a general meeting may, with the consent of the meeting, adjourn the same from time to time and from place to place but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
56. Subject to the provisions of section 180 of the Act, any poll duly demanded on the election of a Chairman of a meeting or on any question of adjournment shall be taken at the meeting and without adjournment.
57. Every question submitted to a meeting shall be decided in the first instance by a show of hands and in the case of an equality of votes the Chairman shall, both on a show of hands and at a poll (if any), have a casting vote in addition to the vote or votes to which he may be entitled as a member.
58. 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 in accordance with the provisions of the Act and unless a poll is so demanded, a declaration by the Chairman that a resolution has, on a show of hands, been carried, or unanimously or by a particular majority, or lost, and an entry to that effect in the books of the proceedings of the Company shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against that resolution.

59. 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.
60. The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded
61. 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.
62. Any resolution passed by the Directors, notice whereof shall be given to the member in the manner in which notices are hereinafter directed to be given and which shall, within one month after it shall have so been passed, be ratified and confirmed in writing by members entitled at a poll to three-fifths of the vote shall be as valid and effectual as a resolution of a general meeting but this clause shall not apply to a resolution for winding up the Company or to a resolution passed in respect of any matter which by the statute or by these Articles ought to be dealt with by a special resolution.

VOTES OF MEMBERS

63. Upon a show of hands, every member present in person shall have one vote and upon a poll every member present in person or by proxy or by duly authorised representative shall have one vote for every share held by him:
Provided that no company shall vote by proxy as long as a resolution of its Directors authorising any person to act as its representative at any meeting of the Company passed in accordance with the provisions of the Act is in force.
64. Any member who is a Company present by a representative duly authorised by such Company in accordance with the provisions of section 187 of the act may vote on a show of hands as if he was a member of the Company. The production at the meeting of a copy of such authorisation duly signed by such Company shall at the meeting be accepted by the Company as sufficient evidence of the validity of his appointment.
65. 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.

66. Where there are joint registered holders of any share, any one of such persons may vote at any meeting, either personally or by proxy in respect of such shares as if he were solely entitled thereto, and if more than one of such joint holders be present at any meeting personally or by proxy, that one of the said persons present whose name stands first on the register in respect of such share shall alone be entitled to vote in respect thereof. Several executors or administrators of a deceased member in whose name any share stands shall, for the purposes of this clause, be deemed joint holders thereof.
67. 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 poll, by his committee or other legal guardian and any such committee or guardian may on a poll vote by proxy.
68. A member entitled to attend and vote at a meeting may appoint another person (whether a member or not) as his proxy to attend a meeting and vote on a poll. No member shall appoint more than one proxy to attend on the same occasion. A proxy shall not be entitled to speak at a meeting or to vote except on a poll. The instrument appointing a proxy shall be in writing and be signed by the appointer or his attorney duly authorised in writing or if the appointer is a body corporate, be under its seal or be signed by an officer or any attorney duly authorised by it.
69. 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 thereof shall be deposited at the office of the Company not less than 72 hours before the time for holding the meeting at which the person named in the instrument proposes to vote and default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of 12 months from the date of its execution except in the case of adjournment of any meeting first held previously to the expiration of such time. An attorney shall not be entitled to vote unless the power of attorney or other instrument appointing him or a notarially certified copy thereof has either been registered in the records of the Company at any time not less than 72 hours before the time for holding the meeting at which the attorney proposes to vote or is deposited at the office of the Company not less than 72 hours before the time fixed for such meeting as aforesaid. Notwithstanding that a power of attorney or other authority has been registered in the records of the Company, the Company may by notice in writing addressed to the member or the attorney require him to produce the original power of attorney or authority and unless the same is there upon deposited with the Company the attorney shall not be entitled to vote at such meeting unless the Directors in their absolute discretion excuse such non-production and deposit.
70. If any such instrument of appointment be confined to the subject of appointing proxy or substitute for voting at meetings of the Company it shall permanently or for such time as the Directors may determine be in the custody of the Company and it embracing other objects a copy thereof, examined with the original, shall be delivered to the Company to remain in the custody of the Company.

71. An instrument appointing a proxy may be in the following form, or in any other form which the Directors shall approve:

HINDUSTAN ORGANIC CHEMICALS LIMITED

"I..... of in the district of being a member of the above named Company, hereby appoint..... of..... as my proxy to vote for me and on my behalf at the Annual/Extraordinary General Meeting of the Company to be held on the day of and at any adjournment thereof".

Signed this day of

72. 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 or transmission shall have been received at the office of the Company before the commencement of the meeting or adjourned meeting at which the proxy is used.
73. No member shall be entitled to be present, or to vote on any question either personally or by proxy, or as proxy for another member, at any meeting or upon a poll, or be reckoned in quorum whilst any call or other sum shall be due and payable to the Company in respect of any of the shares of such member.
74. No objection shall be made to the validity of any vote except at the meeting or poll at which such vote shall be tendered, and every vote, whether given personally or by proxy, not disallowed at such meeting or poll shall be deemed valid for all purposes of such meeting or poll whatsoever.
75. 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 less than three and not more than fifteen. The Directors are not required to hold any qualification shares.
76. (1) The Chairman of the Board of Directors will be appointed by the President for such term as he may think fit. All other Directors will be appointed by the President in consultation with the Chairman.
- (2) The President may, from time to time, in consultation with the Chairman, appoint one or more of the Directors to be the Managing Director or Managing Directors of the Company or to be fulltime Functional Directors who will be executive heads of their departments for such term as he may think fit.
- (3) Any Director appointed as Chairman or Managing Director or Functional Director shall, if he ceases to hold the office of Director from any cause, ipso facto and immediately cease to be the Chairman or Managing Director or Functional Director as the case may be.

- (4) At every annual general meeting of the Company every Director shall, unless he is the Chairman or Managing Director or Functional Director, retire from office. The Chairman or Managing Director or Functional Director shall retire on ceasing to hold the office thereof. A retiring Director shall be eligible for reappointment.
- (5) The President shall have the power to remove the Chairman, Managing Director, Functional Director or any other Director from office at any time in his absolute discretion.
- (6) The vacancy in the office of the Chairman, Managing Director, Functional Director or any other Director caused by retirement, removal, resignation, death or otherwise may be filled by the President by fresh appointment in the same manner as stated in Clauses (1) and (2).
- (7) The Chairman, Managing Director or Functional Director may be authorised by the Board of Directors to exercise such powers and discretion in relation to the affairs of the Company as are specifically delegated to him/them by the Board and are not required to be done by the Board of Directors of the Company at the General meeting under the Act.
- (8) The Chairman, Managing Director, Functional Director and other Directors shall be paid such remuneration (whether by way of salary or otherwise) as the President may, from time to time, determine.

77. Subject to the provisions of the Act and the directives or instructions, if any, the President may issue from time to time as contained in Article 139, the business of the Company shall be managed by the Directors who may pay all expenses incurred in getting up and registering the Company and who exercise all such powers and do all such acts and things as the Company is authorised to exercise and do :

Provided that the Directors shall not exercise any power or do any act or thing which is directed or required, whether by the or any other Act, or by the Memorandum or Articles of the Company or otherwise to be exercised or done by the Company in general meeting :

Provided further that in exercising any such power or doing any such act or thing, the Directors shall be subject to the provisions contained in that behalf in the or any other Act, or in the Memorandum of Articles of the Company, or in any regulations made by the Company in general meeting.

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.

78. In place of a Director appointed by the President who is out of India or is about to go out of India or who expects to be absent for not less than three months from the State in which meetings of the Directors are ordinarily held, the Board may appoint with the prior approval of the President, any person to be an Alternate Director

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

79. The Office of the Director shall be vacated if :

- (a) he is found to be of unsound mind by a Court of competent jurisdiction.
- (b) he applies to be adjudicated an insolvent;
- (c) he is adjudged an insolvent;
- (d) he is convicted by any Court in India of any offence and is sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the date of expiry of the sentence.
- (e) he fails to pay any call in respect of shares of the Company held by him, whether alone or jointly with others, within six months from the last date fixed for the payment of the call;
- (f) he absents himself from three consecutive meetings of the Directors or from all meetings of the Directors for a continuous period of three months, whichever is longer, without obtaining leave of absence from the Directors;
- (g) he fails to disclose the nature of his concern or interest in any contract or arrangements or proposed contract or arrangements entered into or to be entered into by or on behalf of the Company as required under section 299 of the Act;
- (h) he becomes disqualified by an order of Court under section 203 of the Act;
- (i) he is removed in pursuance of section 284 of the Act;
- (j) he is concerned or participates in the profits of any contract with the Company;

Provided, however, no Director shall vacate his office by reason of his becoming a member of any Company which has entered into contract with or done any work for the Company of which he is a Director but a Director shall not vote in respect of any such contract or work, and if he does so vote, his vote shall not be counted.

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

- (a) for thirty days from the date of adjudication, sentence or order;
- (b) where any appeal or petition is preferred within the thirty days aforesaid against the adjudication, sentence or conviction resulting in the sentence or order, until the expiry of seven days from the date on which such appeal or petition is disposed off; 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 off.
80. A Director of the Company may be or become a Director of any company promoted by this Company or in which it may be interested as a vendor, member or otherwise.
81. The Company shall not make any loan or guarantee any loan made to a Director of the Company or to a firm of which such Director is a partner or to a private company of which such Director is a member or Director.
82. The Directors may meet for the despatch of business, adjourn and otherwise regulate their meetings, as they think 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 every year. A Director may, and the Secretary on the requisition of a Director shall, at any time convene a meeting of the Directors by giving 14 days' clear notice.

Unless otherwise expressly provided in the Act, questions arising at any meeting of the Directors shall be decided by a majority of votes. In case of equality of votes, the Chairman shall have a second or casting vote.

The quorum necessary for the transaction of the business of the Directors shall be one-third of the total strength or two Directors whichever is higher as provided in section 287 of the Act.

83. The continuing Directors may act notwithstanding any vacancy in their body, but, if and so long as their number is reduced below the number fixed by or pursuant to these Articles as the necessary quorum of Directors, the continuing Directors may act for the purpose of summoning a general meeting of the Company, but for no other purpose.
84. 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.
85. Deleted.
86. If no Chairman is appointed by the President, or if at any meeting the Chairman is not present within ten minutes after the time for holding the same, the Directors present may choose one of their number to be Chairman of the meeting.
87. The Directors may, subject to the provisions of sections 292 and 297 of the Act, delegate any of the powers to a committee consisting of such member or members of their body as they think fit; any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Directors. The proceedings of such a Committee of Directors shall be placed before the Board of Directors at the next Board meeting.
88. A committee may elect a Chairman of its meetings; if no such Chairman is elected or if at any meeting the Chairman is not present within ten minutes after the time

appointed for holding the same, the members present may choose one of their number to be Chairman of the meeting.

89. A committee may meet and adjourn as it may think proper. Questions arising at any meeting shall be determined by a majority of votes of the members present and in case of any equality of votes, the Chairman shall have a second or casting vote.
90. All acts done by any meeting of the Directors or of a Committee of Directors or by any person acting as a Director shall notwithstanding that it be afterwards discovered that there was some defect in the appointment of such Directors or person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director provided that nothing in nothing in this section shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.
91. (a) The Chairman may reserve for the decision of the Central Government any proposals or decisions of the Directors in any matter which in his opinion is of such importance as to be reserved for the approval of the Central Government. No action shall be taken by the Company in respect of such proposal or decision reserved for the approval of the Central Government as aforesaid until its approval to the same has been obtained.
- (b) Without prejudice to the generality of the above provisions, the Directors shall reserve for the decision of the Central Government:
- i) Any programme of capital expenditure exceeding the limits specified by the Central Government from time to time, except where detailed project report has been prepared with estimates and duly approved by the Central Government, in which case the Board shall be competent to authorise the undertaking of all works covered under the approved project including variations in the approved estimates, provided such variations do not exceed 10 percent of the estimate for any particular component part of the project and involve no substantial change in the scope of the project as approved by the Central Government.
 - ii) Appointment to posts in the grade of Rs.2,500-3,000/- and above of persons who have already attained the age of 58 years.
 - iii) The sale, lease or disposal otherwise of the whole or substantially of the whole undertaking of the Company;
 - iv) Formation of subsidiary company or companies;
 - v) The division of capital into different classes of shares.
- (c) The Central Government shall have powers-
- i) 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;

- ii) to approve the Company's five year and annual plans of development and the Company's capital budget;
- iii) to approve the Company's revenue budget in case there is deficit which is proposed to be met by obtaining funds from the Central Government; and
- iv) to approve agreements involving foreign collaboration proposed to be entered into by the Company.

92. Deleted.

93. Deleted.

94. The Directors shall duly comply with the provisions of the Act, or any statutory modification thereof for the time being in force, and in particular with the provisions in regard to the registration of the particulars of mortgages and charges affecting the property of the Company or created by it, and to keeping a register of the Directors, and to sending to the registrar an annual list of members, and a summary of particulars relating thereto and notice of any consolidation or increase of share capital or conversion of shares into stock, and copies of special resolution and a copy of the register of Directors and notifications of any changes therein.

95. The Director shall, in accordance with the provisions of Section 193 of the Act, cause minutes to be entered in books provided for the purpose:-

- (a) of all appointments of officers made at the meeting of the Directors or of any Committee of Directors;
- (b) of the names of the Directors present at such meeting of the Directors and of any Committee of Directors;
- (c) of all resolutions and proceedings at all meetings of the Company and of the Directors and of any Committee of Directors;
- (d) in the case of each resolution passed at such meeting the name of the Directors, if any, dissenting from or not consenting in the resolution; and
- (e) 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.

96. Subject to restrictions placed under section 292 of the Act and to the provisions of section 289 thereof, resolutions of the Directors can be passed by circulation and they shall be as valid and effectual as if they had been passed at a meeting of the Directors duly called and constituted.

97. The Seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Directors and in the presence of at least one Director or of such other person as the President or Directors may appoint for the purpose and any such Director or other authorised person as aforesaid shall sign every instrument to which the Seal of the Company is so affixed in his presence.

INTEREST OUT OF CAPITAL

98. Where any shares are issued for the purpose of raising money to defray the expenses of the construction of any works or buildings, or the provisions of any plant, which cannot be made profitable for a lengthened period, the Company may pay interest on so much of that share capital as is for the time being paid up for the period and subject to the conditions and restrictions provided by section 208 of the Act and may charge the same to capital as part of the cost of construction of the work or building or the provision of plant.

DIVIDEND AND RESERVE FUND

99. 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 dividend or for special dividends, or for improvements to any of the property of the Company and for such other purposes as the Directors shall in their absolute discretion think conducive to the interests 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.
100. The Directors may invest in the Reserve Bank of India or in such securities as may be approved by the President and deal with any of the moneys of the Company upon such investments authorised by the Memorandum of Association of the Company (not being shares in this Company) and in such manner as they think fit, and from time to time vary or realise such investments.
101. The profits of the Company available for payment of dividend subject to any special rights relating thereto created or authorised to be created by these presents and subject to the provisions of these presents as to the reserve fund shall be divisible among the members in proportion to the amount of capital held by them respectively provided always that (subject as aforesaid) any capital paid up on a share during the period in respect of which a dividend is declared shall only entitle the holder of such share to an apportioned amount of such dividend as from the date of payment.
102. Where capital is paid up on any shares in advance of calls upon the footing that the same shall carry interest such capital shall not, whilst carrying interest, confer a right to participate in profits.
103. The Company may pay dividends in proportion to the amount paid up or credited as paid up on each share where a larger amount is paid up or credited as paid up on some shares than on others.
104. The Company in general meeting may declare a dividend to be paid to the members according to their rights and interests in the profits, but no dividend shall exceed the amount recommended by the Directors.
105. No dividend shall be payable otherwise than out of the profits of the year or other period or any other undistributed profits of the Company and no dividend shall carry interest

as against the Company . The declaration of the Directors as to the amount of the profits of the Company shall be conclusive.

106. The Directors may, from time to time, pay to the members such interim dividends as in their judgement the position of the Company justifies.
107. The Directors may retain any dividends on which the Company has a lien, and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.
108. Deleted
109. A transfer of shares shall not pass the right to any dividend declared thereon after such transfer and before the registration of the transfer.
110. Any one of the several persons, who are registered as the joint holders of any share, may give effectual receipts for all dividends and payments on account of dividends in respect of such shares.
111. Subject to the provisions of the Act, no member shall be entitled to receive payment of any interest or dividend in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares or otherwise howsoever either alone or jointly with any other person or persons; and the Directors may deduct from the interest or dividend payable to any member all sums of money so due from him to the company. No unclaimed dividend shall be forfeited by the Board and the company shall comply with all the provisions of Section 205-A of the Act in respect of all unclaimed or unpaid dividend.
112. Any general meeting declaring a dividend may make a call on the members for such amount as the meeting fixed, but so that the call on each member shall not exceed the dividend payable to him and so that 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 calls.
113. a) The company in general meeting may, upon the recommendation of the Board, resolve:-
 - i) 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
 - ii) that such sum be accordingly set free for distribution in the manner specified in clause (b) amongst the members who would have been entitled by way of dividend and in the same proportions.
- b) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provisions contained in clause (c), either in or toward

- i) paying up any amount for the time being unpaid on any shares held by such members respectively;
 - ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or
 - iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii)
- c) A share premium account and a capital redemption reserve account may, for the purposes 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.
- d) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.
- e) Whenever such a resolution as aforesaid shall have been passed, the Board shall-
- i) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares, if any, and
 - ii) generally do all acts and things required to give effect thereto.
- f) The Board shall have full power-
- i) 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
 - ii) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalisation, or (as the case may require) for the payment up by the company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised, of the amounts or any part of the amounts remaining unpaid on their existing shares.
114. Unless otherwise directed, any dividend may be paid by cheque or warrant sent through the post to the registered address of the member or person entitled, or in the case of joint holders to the registered address of that one whose name stands first on the register in respect of the joint holding; and every cheque or warrant so sent shall be made payable to the order of the person to whom it is sent.
115. Notice of the declaration of any dividend, whether interim or otherwise, shall be given to the holders of registered shares in the manner hereinafter provided.

116. Deleted

ACCOUNTS

117. The Company shall in compliance with section 209 of the Act cause to be kept and maintained proper books of accounts with respect to
- (a) All sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure takes place.
 - (b) All sales and purchase of goods by the Company.
 - (c) The assets and liabilities of the Company.
118. Books of account shall be kept at the Office of the Company or at such place in India as the Directors shall think fit and shall be open to inspection by the Directors during business hours.
119. The Directors shall, from time to time, determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to the inspection of member (not being a Director) and no member shall have any right of inspecting any account or book or documents of the Company except as conferred by law or authorised by the Directors or by the Company in general meeting.
120. The Directors shall at some date not later than 18 months after the incorporation of the Company and subsequently once at least in every financial 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 account made up to a date not earlier than the date of the meeting by more than six months.
121. The Directors shall as per 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 Directors on behalf of the Director if authorised in that behalf by the Directors and when he is not so authorised, shall be signed by such number of Directors as are required to sign the balance sheet and the profit and loss account by virtue of sub-sections (1) and (2) of section 215 of the Act.
122. The profit and loss account shall, subject to the provisions as laid down in section 211 of the Act and the Schedule VI referred to therein, 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 into account, so that a just balance of profit and loss may be laid before the meeting, and in case

where any item of expenditure which may in fairness be distributed over several years has been incurred in any one year, the whole amount of such item, shall be stated with the addition of the reasons why only a portion of such expenditure is charged against the income of the year.

123. 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 hereunder at least twentyone days before the meeting at which it is to be laid before the members of the company.
124. The Directors shall in all respects comply with the provisions of section 209 to 211 and 215 to 222 of the Act, or any statutory modification thereof for the time being in force.

AUDIT

125. Once at least in every financial 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.
126. The Auditor/Auditors of the Company shall be appointed or reappointed by the Central Government on the advice of the Comptroller and Auditor General of India.
127. The Auditor of the Company shall be entitled to receive notice of and to attend any general meeting of the Company at which any accounts which have been examined or reported on by them are to be laid before the Company and may make any statement or explanation they desire with respect to the accounts.
128. (a) The Comptroller and Auditor General of India shall have power:-
- (i) to direct the manner in which the Company's accounts shall be audited by the Auditor / Auditors and to give such Auditor / Auditors instructions in regard to any matter relating to the performance of his/their functions as such;
 - (ii) to conduct a supplementary or test audit of the Company's accounts by such person/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, accounts books, vouchers, documents and other papers of the Company and to require information or additional information to be furnished to any person or persons and in such form as the Comptroller and Auditor General may, by general or special order, direct;
- (b) 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.
- (c) Any such comment upon or supplement to the Audit Report shall be placed before the Annual General Meeting of the Company at the same time and in the same manner as the Audit Report.

128-A. Every account of the Directors, when audited and approved by the 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 the account shall forthwith be corrected and thenceforth shall be conclusive.

NOTICES

129. (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 in India) to the address, if any, within India supplied by him to the Company for the giving of notices to him.
- (2) Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, prepaying 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.
130. A holder of registered shares, who has no registered place of address, within India 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.
131. If a member has no registered address and has not supplied to the Company an address within India for the giving of notices to him, a notice addressed to him, and advertised in a newspaper circulating in the neighbourhood of the Office of the Company, shall be deemed to be duly given to him on the day on which the Advertisement appears.
132. A notice may be given by the Company to the joint holders of a share by giving the notice to the joint holders named first in the register of members in respect of the share.
133. A notice may be given by the Company to the persons entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a prepaid letter addressed to them by name, or by the title of representatives of the deceased, or assignee of the insolvent or by any like description, at the address (if any) in India 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.
134. Notice of every general meeting shall be given in the same manner hereinbefore authorised to (a) every member of the Company except those members who are having no registered address have not supplied to the Company an address for the giving of notice to them and also to (b) every person entitled to a share in consequence of the death or insolvency of a member who, but for his death or insolvency, would be entitled to receive notice of the meeting, provided the Company has due notice.
135. Every person who by operation of law, transfer or other means whatsoever shall become entitled to any share shall be bound by every notice in respect of such share

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

136. The signature to any notice to be given by the Company may be written or printed.
137. Where a given number of days' notice or notices extending over any other period is required to be given, the day of service shall, unless it is otherwise provided, be counted in such number of days or other period.

WINDING UP

138. If the Company shall be wound up and the assets available for distribution among the members as such shall be insufficient to repay the whole of the paid up capital, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the members in proportion to the capital paid up or which ought to have been paid up at the commencement of the winding up on the shares held by them respectively. And if in a winding up, the assets available for distribution among the members shall be more than sufficient to repay the whole of the capital paid up the excess shall be distributed amongst the members in proportion to the capital paid up or which ought to have been paid up on the shares held by them respectively. But this clause is to be without prejudice to the rights of the holders of shares issued upon special terms and conditions.
139. (a) 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 the business and affairs of the Company and in like manner may vary and annul any such direction or instruction. The Directors shall duly comply with and give immediate effect to the directions or instructions so issued. In particular, the President shall have the power to give directions to the Company as to the exercise and performance of its functions in matters involving national security or substantial public interest.
- (b) 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 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.
140. (1) Subject to the provisions of section 201 of the Act, every Director, Manager, Secretary and other officer or employee of the Company shall be indemnified by the Company against and it shall be the duty of the Directors out of the funds of the Company to pay all costs, losses and expenses (including travelling expenses) which any such Director, Manager, Officer or employee may incur or become liable to by reason of any contract entered into or act or deed done by him or them as such Director, General Manager, Manager, Officer or servant or in any other way in the discharge of his duties and the amount for which such indemnity is provided shall immediately attach as a lien on the property of the Company and have priority as between the members over all other claims.

(2) Subject as aforesaid every Director, Manager, Officer or (with the consent of the Directors) Auditor of the Company shall be indemnified against any liability incurred by him or them in defending any proceedings whether civil or criminal in which judgement is being given in his or their favour or in which he or they acquitted or in connection with any application under section 633 of the Act in which relief is given to him or them by the Court.

141. Subject to the provisions of section 201 of the Act no Director, Manager, or officer or employee of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director, Manager or officer or employee or for joining in any receipt or other act of conformity or for any loss or expense happening to the Company through 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 or company, with whom any moneys, securities or effects shall be entrusted or deposited or for any loss occasioned by an error of judgement or oversight on his or their part, or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his or their office or in relation thereto, unless the same happen through his own dishonesty, negligence, default, misfeasance, breach of duty or breach of trust.

Name of subscriber	Address, description and occupation, if any.	No. of Shares	Signature of subscriber	Signature of witnesses and their addresses, description and occupation
1	2	3	4	5
1. President of India		1	Sd/- (S. Ranaganathan) Secretary, Ministry of Commerce and Industry, New Delhi for and on behalf of the President of India	
2. Shri K. B. Lal	Additional Secretary Ministry of Commerce and Industry, New Delhi.	1	Sd/- (K. B. Rao)	
3. Shri K. B. Rao	Officer on Special Duty, Ministry of Commerce and Industry and Managing Director, National Industrial Development Corporation Limited, New Delhi.	1	Sd/- (K. B. Rao)	
4. Shri T. A. S. Balakrishnan	Deputy Secretary, Ministry of Commerce and Industry, New Delhi.	1	Sd/- (T. A. S. Balakrishnan)	
Total number of shares taken		4		

Dated this day of November, 1960

