



**MEMORANDUM AND ARTICLES
OF
ASSOCIATION
OF
BEML LIMITED**

GOVERNMENT OF INDIA - MINISTRY OF CORPORATE AFFAIRS
Registrar of Companies, Karnataka

Fresh Certificate of Incorporation Consequent upon Change of Name

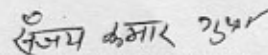
Corporate Identity Number : L35202KA1964GOI001530

In the matter of M/s BHARAT EARTH MOVERS LIMITED

I hereby certify that BHARAT EARTH MOVERS LIMITED which was originally incorporated on Eleventh day of May Nineteen Hundred Sixty Four under the Companies Act, 1956 (No. 1 of 1956) as BHARAT EARTH MOVERS LTD having duly passed the necessary resolution in terms of Section 21 of the Companies Act, 1956 and the approval of the Central Government signified in writing having been accorded thereto under Section 21 of the Companies Act, 1956, read with Government of India, Department of Company Affairs, New Delhi, Notification No. G.S.R 507 (E) dated 24/06/1985 vide SRN A21746789 dated 11/09/2007 the name of the said company is this day changed to BEML LIMITED and this Certificate is issued pursuant to Section 23(1) of the said Act.

Given under my hand at Bangalore this Eleventh day of September Two Thousand Seven.




(SANJAY KUMAR GUPTA)
कम्पनी रजिस्ट्रार / Registrar of Companies
कर्नाटका
Karnataka

कम्पनी रजिस्ट्रार के कार्यालय अभिलेख में उपलब्ध पत्राचार का पता :

Mailing Address as per record available in Registrar of Companies office:

BEML LIMITED

23/1 BEML SOUDHA4TH MAIN S R NAGAR, BANGALORE,

KARNATAKA - 560027,

Karnataka, INDIA

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MEMORANDUM OF ASSOCIATION OF BEML LIMITED

- I. * The name of the Company is BEML LIMITED.
- II. The Registered Office of the Company will be situated in the State of Karnataka.
- III. The objects for which the Company is established are:-
 1. (a) To carry on in India and elsewhere the business of manufacturing, assembling, fitting up, repairing, converting, overhauling, maintaining and rendering assistance and services of all and every kind and description, buying, selling, importing, exporting, exchanging, altering, hiring, letting on hire, improving, repairing and dealing in tractors, bull dozers, scrapers, graders, rear dumps, bottom dumps, rear dump trucks, cranes, crane carriers, crawler tractors, loaders, shovels, compactors, crushing plants, draglines, dredgers, pavers, rollers, railway cars, snow removers, excavators, grain loaders, sheepsfoot rollers and engines of every description whether required for civil, commercial or military defence purposes and requirements or otherwise, boats, barges, steamers, cars, trucks chassis, motors, motor cycles, buses, lorries, diesel engines, oil engines, petrol engines, steam engines, turbines, tanks and carriages, vehicles, 'conveyances and conveyors of all kinds including railway coaches, railway wagons, railway equipments locomotives and locomotive fittings whether for use on land, water or in the air or whether propelled or moved by electricity, steam, oil vapour, gas, petroleum or any other motive or mechanical power and all component parts, fittings, tools, implements, accessories, materials and all articles and things used in connection therewith in any way whatsoever.
 - (b) To carry on the business of Electrical Engineers and Manufacturers of all types of Electrical Machinery, apparatus and appliances required for or capable of being used in connection with the generation, distribution, supply, accumulation of electricity and in particular the manufacture of alternating current and direct current generators, motors, rotary converters, transformers, or rectifiers,

* Name change approved at the Annual General Meeting held on 22-08-2007 and a fresh certificate of incorporation dated 11-09-2007 issued by ROC.

indicating meters, integrating meters, recording meters, air-brake and oil-brake manual and remote control switches with overload and under-voltage releases air and oil brake magnetic with overload and under-voltage releases, air and oil-cooled contractors and electrically operated starters and regulators with overload and under-voltage tripping devices for A.C. and D. C. meters, switch boards, protective devices for A.C. and D.C. machines, lines and feeders, primary and secondary storage battery and accumulators, commercial and domestic heating devices, electric furnaces and refrigerating and air conditioning apparatus and accessories, vacuum cleaners, lighting fixtures, electrical conveyors, lifts, medical ultra high-frequency diathermy apparatus, X-ray apparatus, electrically propelled cars, railway signalling and interlocking devices, wireless receivers, wireless transmitters, automatic and manually operated telephone instruments, high and low tension insulated cables for electrical power distribution, telephone cables, cotton covered and enamelled wires and things used in connection therewith in any way whatsoever.

- (c) To manufacture, sell, buy, repair, alter and exchange, let on hire, export, import and deal in all kinds of articles and things which may be required for the purposes of any of the businesses of the Company or commonly supplied or dealt in by persons engaged in any such business or which may seem capable of being profitably dealt with in connection with any of the business of the Company; and also to act as agents for Governments or Authorities or for any manufacturers, merchants and others and to carry on agency business of every kind of any description connected with the business of the Company.
- (d) To purchase or otherwise acquire all or any part of the business, property including all assets such as machinery, housing, buildings, workshops etc. and liabilities of any person, corporation, Government or Company engaged in the manufacture of the articles and things which the Company is entitled to manufacture in India and elsewhere or of any person, corporation, Government or Company, the business of which is capable of being conducted directly or indirectly to benefit the Company, and without prejudice to the generality of the foregoing to acquire and take over from the Hindustan Aircraft Ltd.. the project of manufacture of heavy construction and mining equipment, which is being worked by it presently together with the benefit of all contracts, rights and property as well as outgoings and liabilities relating to the said project.

- (e) To acquire, construct, build, set up, equip, provide and maintain factories, workshops, hangars, garages, building yards and accommodations of all descriptions.
 - (f) To establish, maintain and operate training colleges and technical institutions.
 - (g) To carry on the business of mechanical engineering in all its branches in India and elsewhere.
2. 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, apparatus, tools, utensils, substances, materials and things necessary or convenient for carrying on any of the business which the Company is authorised to carry on or usually dealt in by persons engaged in such business.
 3. To carry on in India and elsewhere the business of ironmasters, steel-makers, steel convertors, manufacturers of ferromanganese, colliery proprietors, coke manufacturers, miners, smelters, engineers, tin platemakers and iron founders in all their respective branches.
 4. To carry on all or any of the business of engineers, miners, builders, contractors, wagon builders, engine builders, merchants, importers, exporters, farmers and buying, selling and dealing in property of all kinds of iron, brass and other metal founders, machinists, toolmakers, wire drawers, tube, pipe and tank manufacturers, moulders, metallurgists and metal workers, fitters, millwrights, galvanisers, electroplaters and enamellers.
 5. To carry on the business of carriers by land, sea and air
 6. To purchase, take on lease or licence or concession or otherwise lands, buildings, works, mines, mining rights, plantations, forests, licences, leases and any rights and privileges or interest therein and to explore, work, exercise, develop and to turn the same to account.
 - 6.A. To carry on the business of electric supply company and to do all things incidental to such business.
 7. To search for and to purchase or otherwise acquire from any Government, State or Authority any licences, concessions, grants, decrees, rights, powers and privileges whatsoever which may seem to the Company capable of being turned to account and to

work, develop, carry-out, exercise and turn the same to account.

8. To purchase, take on lease or in exchange or under amalgamation, Licence or concession or otherwise, absolutely or conditionally, solely or jointly with others and make, construct, maintain, work, hire, hold, improve, alter, manage, let, sell, dispose of, exchange, lands, buildings, warehouses, works, factories, mills, workshops, railways, sidings, tramways, engines, trolleys, machinery and apparatus, water rights, trade marks, privileges or rights of any description or kind.
9. To contract, execute, carry out, improve, work, develop, administer, manage or control in India and elsewhere, works and conveniences of all kinds, which expression in this Memorandum includes railways, tramways, docks, harbours, piers, wharves, canals reservoirs, embankments, irrigations, reclamation, improvement, sewage, drainage, sanitary, water, gas, electric light, telephonic, telegraphic and power supply works, and hotels, Warehouses, markets and buildings, private or public, and all other works or conveniences whatsoever.
10. 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 of or otherwise turn to account the same.
11. To enter into any contract or arrangement for the more efficient conduct of the business of the Company or any part thereof and to sublet any contracts from time to time.
12. To establish, provide, maintain, and conduct or other-wise subsidise in india and elsewhere, educational and training institution, 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 remunerations of scientific or technical professors or teachers and by providing or contributing to the award of scholarships, prizes, grants to students or otherwise and generally to encourage, promote and reward studies, researches, investigations, experiments, tests and inventions of any kind that may be

considered likely to assist any business which the Company is authorised to carry on.

13. To take, or otherwise acquire and hold shares in any other company having objects altogether or in part similar to those of this Company and to underwrite solely to jointly with another or others, shares in any such company. To take, or otherwise acquire shares in any other company if the acquisition of such shares seems likely to promote further or benefit the business or interests of this Company.
14. To acquire or take over with or without a consideration and carry on the business of managers, Secretaries, treasurers and agents by themselves or partnership with others of Companies or partnerships or concerns whose objects may be similar in part or in whole to those of the Company.
15. To carry on any other trade or business which may seem to the Company capable of being conveniently carried on in connection with any of the Company's objects or calculated directly or indirectly to enhance the value of or render profitable any of the Company's property or rights.
16. To sell, let out on hire, or otherwise deal with, all or any of the property of the Company whether immovable or movable including all and every description of apparatus of appliances on such terms and conditions as the Company may think fit.
17. To enter into partnership or into any arrangement for sharing or pooling profits, amalgamation, union of interests, Co-operation, joint venture, 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 engaged in any business undertaking or transaction which may seem capable of being carried or conducted so as directly or indirectly to benefit this Company.
18. To guarantee the payment of money unsecured or secured; to guarantee or become sureties for the performance of any contracts or obligations.
19. To sell, let, exchange or otherwise deal with the undertaking of the Company or any part thereof for such consideration as the Company may think fit and in particular for shares, debentures or securities of any other company having objects altogether or in part similar to those of this Company and if thought fit to distribute the same

among the shareholders of this Company.

20. To pay for any properties, rights or privileges acquired by the Company, either in shares of this Company, or partly in shares and partly in cash or otherwise.
21. To promote and undertake the formation of any institution or company for the purpose of acquiring all or any of the property and liabilities of this Company or for any other purpose which may seem directly or indirectly calculated to benefit this Company or form any subsidiary company or companies, to carry on any business which may seem capable of being carried on conveniently with business or objects of the Company and to acquire any interest in any industry or undertaking.
22. To lend money on mortgage of immovable property or on hypothecation or pledge of movable property or without security to such persons and on such terms as may seem expedient and in particular to customers of and persons having dealings with the Company.
23. To put up telegraphs, telephones, phonograms, radio transmitting or receiving stations or sets, dynamos, accumulators and all apparatus in connection with the generation, accumulation, distribution, supply and employment of electricity or any power that can be used as a substitute therefor, including all cables, wires or appliances for connecting apparatus at a distance with other apparatus, and including the formation of exchange or centres.
24. To purchase or by any other means acquire, and project, prolong and renew, whether in India or elsewhere, any patents, patent rights, brevets d' invention, licences, protections and concessions which may appear likely to be advantageous or useful to the Company, and to use and turn to account and manufacture under or grant licences or privileges in respect of the same and to spend money in experimenting upon and testing and improving or seeking to improve any patent, inventions or rights which the Company may acquire or propose to acquire.
25. To obtain order, or Act of legislature in India and elsewhere or order, Act or Authority from the authorities of any country or State for enabling the Company to obtain all powers and authorities necessary or expedient to carry out or extend any of the objects of the Company; or for any other purpose which may seem expedient and to oppose any proceedings on applications which seem

calculated directly or indirectly to prejudice the Company's interest.

26. To enter into any arrangements with the Government of India or any State Government in India or from the Government of any other State or country, or with any authorities, local or otherwise, or with any rulers, chiefs, landlords or other persons that may seem conducive to the Company's objects or any of them and to obtain from them any rights, powers, and privileges, licences, grants and concessions which the Company may think it desirable to obtain and to carry out, exercise and comply with any such arrangements, rights, privileges and concessions.
27. To provide for the welfare of employees or ex-employees of the Company and the wives and families or the dependents or connections of such persons by building or contributing to the building of houses and dwellings or by grants of money, pensions, allowances, bonus or other payments or by creating and from time to time subscribing or contributing to Provident Fund and other associations, institutions, funds or trusts and by providing or subscribing or contributing towards places of instruction, and recreation; hospitals and dispensaries, medical and other attendance and other assistance as the Company shall think fit, and to subscribe or other-wise to assist or to grant money to charitable, benevolent, religious, scientific, national, public or other institutions or objects or purposes.
28. Subject to Section 205 (3) of the Companies Act 1956, to distribute any of the property of the Company among the members in specie or kind but so that no distribution amounting to a reduction of capital be made except with sanction (if any) for the time being required by law.
29. To make, draw, accept, endorse, execute and issue cheques promissory notes bills of exchange, bills of lading, debentures and other negotiable or transferable instruments.
30. To invest and deal with the moneys of the Company in any securities, shares, investments, properties movable or immovable and in such manner as may from time to time be determined and to sell, transfer or deal in the same.
31. To borrow or raise money or to receive money on deposit at interest or otherwise for purposes of financing the business of the Company in such manner as the Company may think fit, and in particular by the issue of debentures or debenture stock, perpetual or otherwise,

including debenture or debenture stock, convertible into shares of this Company or perpetual annuities; and in security of any such money so borrowed, raised, or received to mortgage, pledge, or charge the whole or any part of the property, assets or revenue of the Company, present or future, including its uncalled capital by assignment or otherwise or to transfer or convey the same absolutely or in trust and to purchase, redeem, or pay off any such securities. 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.

32. 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 any person or 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.
33. To employ or pay experts, foreign consultants etc., in connection with the planning and development of all business connected with the Company's operations.
34. 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.
35. To establish branches and agencies in India and elsewhere and to regulate and discontinue the same. 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 the works, by publication of books and periodicals and by establishing competitions and granting prizes, rewards, premia and donations.

36. 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 and elsewhere 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 body of persons whether incorporated or not incorporated, whether domiciled in India or elsewhere.
- IV. The liability of the Members is limited.
- V. The Share Capital of the Company is * Rupees one hundred crores divided into *10,00,00,000 Equity shares of Rs. 10/- each, with rights and privileges 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) including amendments thereto from time to time.

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

* Substituted at the Extra-ordinary General Meeting held on 13.07.2005

Name of Subscriber		Address, description and occupation, if any
1		2
1	President of India	A.N. Jha, Secretary (Defence Production) Ministry of Defence, New Delhi. (for and on behalf of the President of India)
2.	Shri A. N. Jha	A.N. Jha (S/o. Shri Ganga Nath Jha), Secretary (Defence Production), Ministry of Defence, New Delhi.
3.	Shri K. P. K. Menon	K. P. K. Menon (S/o. Shri M. Gopala Menon deceased), Joint Secretary (PS), Department of Defence Production, Ministry of Defence, New Delhi.
4.	Shri S. P. Mukerji	S.P. Mukerji (S/o. Shri M.N. Mukerji), Deputy Secretary (PS), Department of Defence Production, Ministry of Defence, New Delhi.
5.	Shri Gian Singh	Gian Singh (S/o. Late Bh. Faqir Chand), Under-Secretary Ministry of Defence, New Delhi.

No. of Shares	Signature of subscriber	Signature of witnesses and their addresses, description and occupation
3	4	5
6	(Sd.) A.N. Jha	
1	(Sd.) A.N. Jha	
1	(Sd.) K.P.K. Menon	(Sd.) H.C. Arora, (S/o. Late Shri BISHAN DAS) Section Officer - D (HAL) Ministry of Defence New Delhi.
1	(Sd.) S.P. Mukerji	
1	(Sd.) Gian Singh	

ARTICLES OF ASSOCIATION OF BEML LIMITED

PRELIMINARY

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

* "The Company" means BEML LIMITED.

"The Act" or "the said Act" means the Companies Act (1 of 1956) or the Act or Acts for the time being in force concerning Joint Stock Companies and affecting the Company.

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

"The President" means the President of India.

"The Central Government" means the Government of India. In these Articles the expression "Government of India" shall include "The President of India".

"Auditors" means and includes those persons appointed as such for the time being by the Central Government as required under the Act.

"Board" means the Board of Directors of the Company.

"Capital" means the capital for the time being raised or authorised to be raised for the purposes of the Company.

"Directors" means the Directors for the time being of the Company and includes persons occupying position of Directors by whatever name called, or, as the case may be, the Directors assembled at a Board.

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

"Dividend" includes bonus.

"Gender" -words importing the masculine gender also include the feminine gender.

* Name change approved at the AGM held on 22-08-2007 and a fresh certificate of incorporation issued by ROC.

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

"Executor" or "Administrator" means a person who has obtained probate or letters of Administration, as the case may be, from some competent court.

"Members" means the duly registered holders from time to time of the shares of the Company.

"Meeting" or "General Meeting" means a meeting of Members.

"Annual General Meeting" means a General Meeting of the Members held in accordance with the provisions of Section 166 of the Act.

"Extraordinary General Meeting" means a General Meeting other than an Annual General Meeting of the Members duly called and constituted and any adjourned meeting thereof.

"Month" means Calendar month.

"Paid up" includes credited as paid up.

"Persons" includes corporations as well as individuals.

"The Register" means the Register of Members to be kept pursuant to the Act.

"Seal" means the Common Seal for the time being of the Company.

"Share" means share in the share capital of the Company.

"Singular Number" - words importing the singular number include, where the context admits or requires, the plural number and *vice versa*.

"Special Resolution" and "Ordinary Resolution" shall have the meaning assigned thereto respectively by the said Act.

"Year" means the calendar year. "Financial year" shall have the meaning assigned thereto by Section 2(17) to the Act.

"The marginal Notes" and "catch lines" hereto shall not affect the construction hereof. 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. Table A not to apply.

The regulations for the management of the Company and for the observance by the members thereof and their representatives shall be subject to any exercise of the statutory powers of the Company in reference to the repeal or alternative of or addition to its regulations by special resolution as prescribed or permitted by the Act be such as are contained in these Articles. Company to be governed by these Regulations.

3. a) Deleted
b) Deleted
c) Deleted

4. * The Authorised Capital of the Company is Rs. 100,00,00,000/- (Rupees One hundred crores) divided into 10,00,00,000 Equity shares of Rs. 10/- each. Amount of Capital

5. 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. Companies, shares not to be purchased.

6. **Subject to the provisions of the Act and these Articles the shares shall be under the control of the Directors who may allot or otherwise dispose of the same to such persons on such terms and conditions as they think fit, whether at par or at a premium or at a discount and for such consideration as the Directors think fit; provided that the option or right to call of shares shall not be given to any person except with the sanction of the Company in General Meeting. Allotment of shares

7. **The company in General Meeting shall have powers to increase or reduce the share capital in the manner provided for and in accordance with provisions of Section 94 and 100 of the Act. Increase/reduction of capital

7(a).***The Company may, subject to the applicable provisions of the Companies Act and SEBI Regulations, purchase its fully paid shares or other specified securities (hereinafter referred to 'Buy Back') out of its free reserves or the securities premium account or the proceeds of any shares or other specified securities issued specially for the purpose of buy back or any other mode as may be permitted from time to time. Buy-back of Shares

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

9.**** The company may subject to the provisions of the Companies Act, pay a commission to any person for subscribing or agreeing to subscribe Commission for placing shares/debentures.

* Substituted at the Extra-ordinary General Meeting held on 13-07-2005.

** Substituted at the Extra-ordinary General Meeting held on 21-02-1992

*** Added at the 49th Annual General Meeting held on 13.09.2013

**** Added at the Extra-ordinary General Meeting held on 07-09-1994

(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 stock of the Company but so that, if the Commission shall be paid or payable out of capital, the statutory conditions and requirements shall be observed and complied with, and the rate of commission shall not exceed the limit prescribed under the Companies Act. The commission may be paid or satisfied in cash or in shares, debentures or debenture stock of the Company.

Sub-division and consolidation of shares

10.* Subject to the provisions of Section 94 of the Act, the Company in General Meeting may from time to time sub-divide or consolidate its shares, or any of them and the Resolution whereby any share is subdivided, may determine, that as between the holders of the shares resulting from such sub-division, one or more of such shares shall have some preference or special advantage as regards dividends, capital or otherwise over or as compared with the others or other. Subject as aforesaid, the Company in General Meeting may also cancel shares which 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.

Modification of shareholders' rights & special classes of shares.

11. Whenever the capital, by reason of the issue of Preference Shares or otherwise, is divided into different classes of shares all or any of the rights and privileges attached to each class may, subject to the provisions of Sections 106 and 107 of the Act, be modified, commuted, affected or abrogated, or dealt with by agreement between the Company and a person purporting to contract on behalf of that class provided such agreement is ratified in writing by holders of at least three fourths in nominal value of the issued shares of that class or is confirmed by a special resolution passed at a separate General Meeting of the holders of shares of that class and supported by the votes of the holders of at least three-fourth of the holders of the shares of that class and all the provisions hereinafter contained as to General Meeting shall mutatis mutandis apply to every such meeting except that the quorum thereof shall be Members holding or representing by proxy one-fifth of the nominal amount of the issued shares of that class.

SHARES AND CERTIFICATES

Register and Index of Members.

12. The Company shall cause to be kept a Register and Index of Members in accordance with Sections 150 and 151 of the Act.

Shares to be numbered progressively and no share to be subdivided.

13. The shares in the capital shall be numbered progressively according to their several denominations and except in the manner hereinbefore mentioned, no share shall be subdivided.

Shares to nominees of the President

14.* The share held by the President may be transferred by the President in favour of the nominees of the President or the successor of the shareholder in the appointment held by them in the Government of India.

* Substituted at the Extra-ordinary General Meeting held on 21-02-1992.

- 15.* The Company in General Meeting may determine that, any shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether Members or not) in such proportion and on such terms and conditions and either (subject to compliance with the provisions of Section 78 and 79 of the Act) at a premium or at par or at a discount as such General Meeting shall determine and with full power to give any person (whether a Member or not) the option to call for or be allotted shares of the company either (subject to compliance with the provisions of Section-78 and 79 of the Act) at a premium or at par or at a discount, such option being exercisable at such times and for such consideration as may be directed by such General Meeting; or the Company in General Meeting may make any other provisions whatsoever for the issue, allotment or disposal of any shares.
- Power also to Company in General Meeting to issue shares
16. Any application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles; and every person who thus or otherwise accepts any shares and whose name is on the Register shall for the purposes of these Articles be a Member.
- Acceptance of shares
17. The money (if any) which the Board of Directors shall on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them, shall immediately on the inscription of the name of the allottee in the Register of Members, as the name of the holder of the such shares, become a debt due to and recoverable by the Company from the allottee thereof and shall be paid by him accordingly.
- Deposits and calls etc., to be a debt payable immediately.
18. Every Member or his heirs, executors or administrators, shall pay to the Company the portion of the capital represented by his shares or shares which may, for the time being, remain unpaid thereon, in such amounts, at such time or times and in such manner, as the Board of Directors shall, from time to time in accordance with the Company's regulations, require or fix for the payment thereof.
- Liability of Members.
- 19.* Every person whose name is entered as a Member in the Register of Members shall, without payment, be entitled to receive within 3 months after allotment or within two months from the registration of transfer a Certificate under the Common 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, subject to such rules and regulations as may be prescribed by Law from time to time. The share certificates may be issued in lots convenient to the Company. Where share certificates are issued in either more or less than market lots, sub-division or consolidation of share certificates into market lots shall be done free of charge. The market lots of shares shall be 100 only, or such other number as may be stipulated by the Stock Exchanges.
- Share Certificate

* Substituted at the Extra-ordinary General Meeting held on 21-02-1992

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.

Every Certificate of shares shall specify the number and denoting numbers of the shares in respect of which it is issued and the amount paid-up thereon and shall be signed by two Directors and the Secretary or some other person appointed by the Directors.

- Dematerialisation 19(a)* Notwithstanding anything contained in these Articles, pursuant to the provisions of the Depositories Act, 1996 and rules framed thereunder :-
- (a) the Company shall be entitled to dematerialise its securities (Shares, Debentures etc.,) and to offer securities in a dematerialised form;
 - (b) the registered holders of the securities of the Company shall be entitled to convert such securities in a dematerialised form and to hold the same with a depository and vice-versa; and
 - (c) anyone holding shares of the Company and whose name is entered as beneficial owner in the records of the depository shall be deemed to be a member of the Company and be entitled to all rights and benefits and subject to all the liabilities in respect of his/their shares held by a depository.

- Renewal of 20. If there is no further space on the back of a share certificate for endorsement of transfer, it shall, on request, be replaced by a new certificate free of cost, but a renewal of certificates in the case of certificates torn through, defaced, destroyed or lost, shall be made in accordance with the Share Certificate Rules under the Act on payment of such charge not exceeding Rupees two, as may from time to time be prescribed by the Board of Directors; provided, however, that such new certificates shall not be granted except upon delivery of the worn out or defaced or used up certificate for the purpose of cancellation or upon proof of destruction or loss and such indemnity as the Board of Directors may require in the case of the certificate having been destroyed, lost or defaced beyond identification. Any renewal certificate shall be marked as such.

- The first name of joint holders deemed sole holders. 21. If any share stands in the name of two or more persons, the person first named in the Register shall as regards receipt of dividends or bonus or service of notices and all or any other matter connected with the Company, except voting at meetings, and the transfer of the shares, be deemed the sole holder thereof, but the joint-holders of a share shall be severally as well as jointly liable for the payment of all installments and calls due in respect of such share and for all incidents thereof according to the Company's regulations.

* Inserted - 35th AGM held on 30-9-1999

22. Except as ordered by a Court of Competent Jurisdiction or as by law required, the company shall not be bound to recognise any equitable, contingent, future or partial interest in any share, or (except only as is by these presents otherwise expressly provided) any right in respect of a share other than an absolute right there to, in accordance with these presents, in the person from time to time registered as the holder thereof; but the Board shall be at liberty at their sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.

Company not bound to recognise any interest on share other than that of registered holder.

INTEREST OUT OF CAPITAL

23. Where *any* shares are issued for the purpose of raising money to defray the expenses of the construction, of any work or buildings, or the provision of any plant, which cannot be made profitable for a lengthy period, the Company may pay interest on so much of that Share Capital as is for the time being paid up, for the period, at the rate 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.

Interest out of Capital

24. The Board of Directors may, from time to time, by a resolution passed at a meeting of the Board (and not by a Resolution by circulation) make such call as it thinks fit upon the Members in respect of all moneys unpaid on the shares held by them respectively, 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 Board of Directors. A call may be made payable by installments.

Directors may make calls.

25. Fifteen days' notice at the least of any call shall be given by the Company specifying the time and place of payment and the person or persons to whom such call shall be paid.

Notice of calls.

26. A call shall be deemed to have been made at the time when the resolution authorising such call was passed at a meeting of the Board of Directors.

Calls to date from resolution.

27. Subject to Section 91 of the Act, if any Member fails to pay any call due from him on the day appointed for payment thereof or any extension thereof he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board of Directors, but nothing in this Article shall render it compulsory for the Board of Directors to demand or recover any interest from any such Member.

Calls to carry interest

28. On the trial or hearing of any action or suit brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares it shall be sufficient to prove that the name of the Member in respect of whose shares the money is sought to be recovered appears entered on the Register of Members as the

Proof on trial of suit for money due on shares.

holder at or subsequently to the date at which the money sought to be recovered is alleged to have become due on the shares in respect of which such money is sought to be recovered; that the 'resolution making the call is duly recorded in the minute book; and that notice of such call was duly given to the Member or his representatives, sued in pursuance of these presents; and it shall not be, necessary to prove the appointment of the Directors who made such call or that a quorum of Directors was present at the Board at which any call was made or the meeting at which any call was made was duly convened or constituted or any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive of the debt.

Partial payment
not to preclude
forfeiture.

29. Neither the receipt by the Company of a portion of any money which shall from time to time be due from any Member to the Company in respect of his shares, either by way of principal or interest nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as hereinafter provided.

Payment in
anticipation of
calls may carry
interest.

30. The Board of Directors may, if it thinks fit, agree to and receive from any Member willing to advance the same, all or any part of the amounts of their respective shares beyond the sums actually called up; and upon the moneys so paid in advance, or upon so much thereof, from time to time and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made, the Board of Directors may pay or allow interest at such rate as the Member paying the sum in the advance and the Board of Directors agree upon. The Board of Directors may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to the Member three months' notice in writing.

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

Liability of joint-
holders.

31. The joint - holder of a share shall be jointly and severally liable to pay all calls in respect thereof.

LIEN

Company's lien
on share

32.**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 22 hereof will have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in

* ADDED at the Extra-ordinary General Meeting held on 07-09-1994.

** Substituted at the Extra-ordinary General Meeting held on 07-09-1994.

respect of such shares. Unless otherwise agreed the registration of 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.

33. For the purpose of enforcing such lien, the Board of Directors may sell the shares subject thereto, in such manner as they shall think fit, and for that purpose may cause to be issued a duplicate certificate in respect of such shares and may authorise any of their Member to execute a transfer thereof on behalf of and in the name of such Member. No sale shall be made until the sum in respect of which the lien exists is presently payable, and until notice in writing of the intention to sell shall have been served on such Member or his representatives and default shall have been made by him or them in payment, fulfillment or discharge of such debts, liabilities or engagements for fourteen days after such notice.

As to enforcing
lien by sale

34. The net proceeds of any such sale shall be applied in or towards satisfaction of the said debts, liabilities or engagements and the balance (if any) paid to such Member, his representatives or assigns.

Application of
proceeds of sale

FORFEITURE OF SHARES

35. If any Member fails to pay any call or instalment of a call on or before the day appointed for the payment of the same or any extension thereof the Board of Directors may, at any time thereafter, during such time as the call or instalment remains unpaid, give notice to him requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

If money payable
on share not paid
notice be given
to Member.

36. The notice shall name a day (not being less than fourteen days from the date of the notice) and a place or places on and at which such call or instalment and such interest and expenses as aforesaid are to be paid. The notice shall also state that, in the event of the non-payment at or before the time and at the place appointed, the shares in respect of which the call was made or instalment is payable will be liable to be forfeited.

Term of notice.

37. If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given, may at any time thereafter before payment of all calls or instalments, interest and expenses due in respect thereof, be forfeited by a resolution of the Board of Directors to that effect.

In default of
payment, shares
to be forfeited.

38. When any share have been so forfeited, notice of the forfeiture shall be given to the Member, in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture, with the date thereof shall forthwith be made in the Register of Members.

Notice of
forfeiture to a
member.

Forfeited share to be property of the Company and may be sold etc.

39. Any share so forfeited shall be deemed to be property of the Company, and may be sold, re-allotted, or otherwise disposed of, either to the original holder thereof or to any other person, upon such terms and such manner as the Board of Directors shall think fit.

40. Any Member, whose shares have been forfeited, shall, notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company on demand all calls, instalments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of the forfeiture, until payment at such rate not exceeding nine per cent per annum as the Board of Directors may determine and the Directors may enforce the payment thereof, if it thinks fit.

Effect of forfeiture.

41. The forfeiture of a share shall involve extinction at the time of the forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the shares, except only such of those rights as by these presents are expressly saved.

Validity of sale.

42. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the power hereinbefore given, the Board of Directors may appoint some person to execute an instrument of transfer of the shares sold, and cause the purchaser's name to be entered in the Register in respect of the shares sold, and the purchaser shall not be bound to see to the regularity of the proceedings or to the Application of the purchase money, and after his name has been entered in the Register in respect of such shares, the validity of the sale shall not be impeached by any person, and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

Cancellation of share certificate in respect of forfeited shares.

43. Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting Member) stand cancelled and become null and void and of no effect.

Power to annul forfeiture.

44. The Board of Directors may at any time before any share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.

TRANSFER AND TRANSMISSION OF SHARES

Register of transfers.

45. The Company shall keep a book, to be called the "Register of Transfers", and therein shall be fairly and distinctly entered particulars of every transfer or transmission of any share.

Form of transfer.

46. Shares in the Company shall be transferred in the form prescribed by the Companies (Central Government's) General Rules and Forms (Second

Amendment) Rules, 1966, or such other form as may be prescribed by Government from time to time in this behalf.

47. Every such instrument of transfer shall be executed both by the transferor and the transferee and attested and the transferor shall be deemed to remain the holder of such share until the name of the transferee shall have been entered in the Register of Members in respect thereof.

To be executed by transferor and transferee.

48.* The right of Members to transfer their shares shall be restricted as follows:-

Transfer of shares

(a) Shares may be transferred freely by a Member or other person entitled to transfer.

(b) Subject to the provisions of Section 111 of the Companies Act, 1956 and Section 22A of the Securities Contracts (Regulation) Act, 1956, the Directors may, in their absolute and uncontrolled discretion, refuse to register any proposed transfer of shares.

** Provided that registration of a transfer of shares shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except a lien on the shares.

49. No share shall in any circumstances be transferred to any minor, insolvent or person of unsound mind.

No transfer to minor, etc.

50. The Board of Directors shall have power of giving seven days' previous notice by advertisement in a newspaper circulating in (Karnataka)*** State to close the transfer books, the Register of Members or Register of Debenture-holders at such time or times and for such period or periods, not exceeding thirty days at a time and not exceeding in the aggregate forty-five days in each year, as it may seem expedient.

Transfer books when closed

51. The Board on refusal by it to register any proposed transfer of shares shall, within two months from the date on which the instruments of transfer was lodged with the Company, send to the transferee and the transferor notice of the refusal to register such transfer.

Directors may refuse to register transfers.

52. In the case of the death of anyone or more of the persons named in the Register of Members as the joint-holders of any share, the survivor or survivors shall be the only persons recognised by the Company as having any title to or interest in such share, but nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other person.

Death of one or more joint-holders of shares.

* Substituted at the Extra-ordinary General Meeting held on 21-02-1992.

** Proviso added at the Extra-ordinary General Meeting held on 07-09-1994.

*** Substituted at the 10th Annual General Meeting held on 28-09-1974.

Title to shares of
d e c e a s e d
Member.

53. The executors or administrators of a deceased Member (not being one of two or more joint-holders) shall be the only persons recognised by the Company as having any title to the shares registered in the name of such Member, and the Company shall not be bound to recognise such executors or administrators unless such executors or administrators shall have first obtained Probate or Letters of Administrations, or other legal representation as the case may be, from a duly constituted Court in the Union of India, provided that in any case where the Board of Directors in its absolute discretion thinks fit, the Board of Directors may dispense with production of Probate or Letters of Administration, or other legal representation and register the name of any person who claims to be absolutely entitled to the shares standing in the name of a deceased Member, as a Member.

Compliance with
Estate Duty Act,
1953

54. If any Member of the Company dies and the Company, through any of its principal officers within the meaning of the Estate Duty Act, 1953, Section 18, has knowledge of the death it shall not be lawful for the Company to register the transfer of any shares standing in the name of the deceased Member, unless the Company is satisfied that the transferee has acquired such shares for valuable consideration or there is produced to it a certificate from the Controller, Deputy Controller or Assistant Controller of Estate Duty that either the estate duty in respect thereof has been paid or will be paid or none is due as the case may be. Where the Company has become aware through any of its principal officers of the death of any Member, the Company shall, within one month of the receipt of such knowledge furnish to the Assistant Controller or Deputy Controller of Estate Duty who is exercising the functions of the Income-Tax Officer in the case of the Company, such particulars as may be prescribed by the Estate Duty Rules, 1953.

Registration of
persons entitled
to shares
otherwise than by
transfer.

55. Subject to the provisions of Article 51 any persons becoming entitled to shares in consequence of the death lunacy, bankruptcy or insolvency of any Member, or the marriage of any female Member or by any lawful means other than by a transfer in accordance with these presents, may with the consent of the Board of Directors (which it shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of his title, as the Board of Directors think sufficient either be registered himself as the holder of the shares or elect to have some person nominated by him and approved by the Board of Directors, registered as such holder, provided, nevertheless, that if such person shall elect to have his nominee registered, he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained and, until he does so, he shall not be freed from any liability in respect of the shares. The Directors shall have the same right to refuse to register a person entitled by transmission to any share or his nominee, as if he were the transferee named in an ordinary transfer presented for registration.

56. Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by share certificates and such evidence as the Board of Directors may require to prove the title of the transferor, his right to transfer the shares and generally subject to such conditions and regulations as the Board of Directors shall from time to time prescribe and every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board of Directors, provided, however, that the Board of Directors may dispense with the production of the share certificates if the same are reported to be lost on such terms as to indemnity or otherwise as the Directors may deem fit.

Transfer to be presented with evidence of title

57. Previously to the registration of a transfer, the certificate or certificates of the share or shares to be transferred must be delivered to the Company along with (save as provided in Section 108) a properly stamped and executed instrument of transfer.

Conditions of registration of transfer.

58.* No fee shall be charged for transmission of shares, or for registration of any Power of Attorney, Probate, letters of Administration or other similar documents. No fee shall also be charged for registration of transfers or for issue of new certificates in replacement of those which are old, decrepit, wornout or where the pages on the reverse for recording transfers have been fully utilised.

Fee on transfer or transmission

59. The Company shall incur no liability or responsibility whatever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do.

The Company not liable for disregard of a notice in prohibiting registration of a transfer.

COPIES OF MEMORANDUM AND ARTICLES TO BE SENT TO MEMBERS

60. Copies of the Memorandum and Articles of Association of the Company and other documents referred to in Section 39 of the Act shall be sent by the Board of Directors to every Member at his request within 7 days of the request on payment of the sum of Rupees one for each copy.

*Substituted at the Extra - ordinary General Meeting held on 21-02-1992.

BORROWING POWERS

Powers to borrow 61. *Subject to the provisions of the Section 292 of the Act, the Board of Directors may, from time to time, at its discretion, by a resolution passed at a Meeting of the Board, accept deposits from Members, either in advance of calls or otherwise, and generally raise or borrow or secure the payment of any sum or sums of money for the Company.

61. (a) Subject to the provisions of Section 292 of the Act, the Board of Directors may, by a resolution passed at a Meeting, delegate to the Managing Director the following powers :-

- (i) The power to borrow money otherwise than on the debentures;
- (ii) The power to invest the funds of the Company; and
- (iii) The power to make loans;

The payment or repayment of moneys borrowed. 62.** Subject to approval of the President the payment or repayment of the moneys borrowed may be secured in such manner and upon such terms and conditions in all respects as the Board of Directors may think fit, and in particular by a resolution passed at a Meeting of the Board (and not by resolution by circulation) by the issue of debentures or debenture stock of the Company, charged upon all or any part of the property of the Company (both present and future), including its uncalled capital for the time being; and debentures, debenture stock and other securities may be made assignable free from any equities between the Company and the Person to whom the same may be issued.

Terms of issue of debentures. 63. Subject to approval of the President, any debenture, or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination, and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares and attending (but not voting), at General Meetings, appointment of Directors and otherwise, Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in General Meeting.

Register of Mortgages be kept. 64. The Board of Directors shall cause a proper Register to be kept in accordance with the provisions of Section 143 of the Act of all mortgages, debentures and charges specifically affecting the property of the Company and shall cause the requirements of Sections 118, 125 and Sections 127 to 144 (both inclusive) of the Act in that behalf to be duly complied with, so far as they fail to be complied with by the Board of Directors.

* Substituted at the Extra-ordinary General Meeting held on 17-12-1969.

** Substituted at the 25th Annual General Meeting held on 29-09-1989.

65. The Company shall, if at any time it issues debentures keep a Register and Index of debenture-holders in accordance with Section 152 of the Act.

Register and index of debenture holders.

MEETINGS OF MEMBER

66. The first Annual General Meeting shall be held within eighteen months from the date of incorporation of the Company and the said Annual General Meeting of the Company shall be held within nine months after the expiry of the first financial year of the Company; and thereafter an Annual General Meeting, subject to the provisions of Section 166 of the Act, shall be held within six months after the expiry of each financial year; provided that not more than 15 months shall elapse between the date of one Annual General Meeting and that of the next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Central Government under the provisions of Section 166 (1) of the Act to extend the time within which any Annual General Meeting may be held. Every Annual General Meeting shall be called for at a time during business hours, on a day that is not a public holiday, and shall be held at the Registered Office of the Company or at some other places as the Central Government may direct and the Notices calling the Meeting shall specify it as the Annual General Meeting. Every Member of the Company shall be entitled to attend either in person or by proxy and the Auditor of the Company shall have the right to attend and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor. At every general meeting of the Company there shall be laid on the table the Directors' Report and Audited Statement of Accounts, Auditors' Report (if not already incorporated in the Audited Statement of Accounts), the proxy Register with proxies and the Register of Directors' shareholdings which latter Register shall remain open and accessible during the continuance of the Meeting. The Board of Directors shall prepare the Annual Return, Summary, Balance Sheet, Profit and Loss Account and forward the same to the Registrar of Companies in (*Karnataka,) Bangalore, in accordance with Sections 159, 169 and 220 of the Act.

Annual or Ordinary General Meeting - Annual Summary.

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

When extra-ordinary meeting to be called.

- (1) The requisition must state the objects of the meeting and must be signed by the requisitionists and deposited at the Office and may consist of several documents, in like form each signed by one or more requisitionists.

*Substituted at the 10th Annual General Meeting held on 28-09-1974.

- (2) If the Directors of the Company do not proceed within twenty-one days from the date of the requisition being so deposited to cause a meeting to be called, on a day not later than 45 days from the date of the deposit, the requisitionists, or a majority of them in value may themselves convene the meeting, but any meeting so convened shall be held within three months from the date of the deposit of the requisition.
- (3) Any meeting convened under this Article by the requisitionists shall be convened in the same manner as nearly as possible as that in which meetings are to be convened by the Directors.

Seven days' notice of meeting to be given.

68. Seven days' notice at least of every General Meeting, Annual or Extraordinary, and by whomsoever called, specifying the day, place and hour of meeting, and the general nature of the business to be transacted thereat, shall be given in the manner hereinafter provided, to such persons as are under these Articles entitled to receive notice from the Company. Provided that in the case of an Annual Gerieral Meeting with the consent in writing of all the Members entitled to receive notice of the meeting, and in the case of any other meeting, with the consent of Members, holding not less than 95 percent of such part of the paid-up share capital of the Company as gives them a right to vote at the meeting, a meeting may be convened by a shorter notice. In the case of an Annual General Meeting, if any business other than (i) the consideration of the accounts, balance sheets and reports of the Board of Directors and the Auditors, and (ii) the declaration of dividend is to be transacted and in the case of any other meeting in any event, there shall be annexed to the notice of the Meeting a statement setting out all material facts concerning each such item of business, including in particular the nature and extent of the interest, if any, therein of every Director. Where any item of business consists of the according of approval to any document by the meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.

Omission to give notice not to invalidate a resolution passed.

69. The accidental omission to give any such notice as aforesaid to any of the Members or the non-receipt thereof, shall not invalidate any resolution passed at any such meeting.

Notice of business to be given.

70. No General Meeting, Annual or Extraordinary, shall be competent to enter upon, discuss or transact any business which has not been mentioned in the notice or notices upon which it was convened, except with the leave of the Chairman of the meeting.

Quorum at General Meeting

71.* Five members present in person shall be quorum for a General Meeting.

* Substituted at the Extra-ordinary General Meeting held on 21-02-1992.

72. If, within the expiration of half an hour from the time fixed for the meeting a quorum of Members shall not be present, the meeting, if convened by or upon the requisition of Members, shall be dissolved, but in any other case it shall stand adjourned to such time on the following day or on such other day, and to such place as the Board may determine, and if no such time and place determined, to the same day in next week, at the same time and place; and if at such adjourned meeting a quorum of Members is not present within the expiration of half an hour from the time fixed for the meeting, those Members who are present shall be a quorum and may transact the business for which the meeting was called.

Quorum not present at meeting to be dissolved or adjourned.

73. (i) The President, so long as he is a shareholder of the Company may from time to time, appoint such person as he thinks fit (who need not be a member of the Company) to represent him at all or any meetings of the Company.

Right of President to appoint any person as his representative.

(ii) A person appointed under Sub-Clause (i) of this Article shall for the purposes of the Act be deemed to be a Member of the Company and shall be entitled to exercise the same rights and powers (including the rights to vote by proxy unless otherwise provided by order of appointment) as the President could exercise as a Member of the Company.

(iii) The President may, from time to time, cancel any appointment made under Sub-Clause (i) of this Article and make fresh appointments.

(iv) 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.

74. The Chairman of the Board of Directors shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there be no such Chairman, or if at any meeting he shall not be present within fifteen minutes of the time appointed for holding such meeting then the Members present shall elect another Director as Chairman and if no Director be present or if all the Directors present decline to take the chair, the Members present shall elect one of their member to be Chairman.

Chairman of General Meeting.

75.* 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) ordered to be taken by the Chairman of the meeting of his own motion or is demanded by any Member or Members present in person, or by proxy and holding shares in the Company (a) which confers the power to vote on the resolution having not less than one-tenth of the total voting power in respect of the resolution, or (b) on which an aggregate sum of not less than fifty thousand rupees has been paid up and unless a poll is so ordered or demanded, a declaration by the Chairman that a resolution has on a

Question at General Meeting how decided

*Substituted at the Extra-ordinary General Meeting held on 21-02-1992.

show of hands been carried or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the Minute Book 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.

Chairman's casting vote.

76. 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.

Poll to be taken if demanded.

77. If a poll is demanded as aforesaid the same shall, subject to Article 80, be taken at such time not later than 48 hours from the time when the demand was made either by open voting or by ballot, as the Chairman of the Meeting shall direct and either at once or after an interval or adjournment, or otherwise, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn.

Scrutineers at poll.

78. Where a poll is to be taken, the Chairman of the meeting shall appoint one or at his discretion two scrutineers who may or may not be Members of the Company to scrutinise the votes given on the poll and to report thereon to him. The Chairman shall have power at any time before the result of the poll is declared to remove a scrutineer from office and fill the vacancy in the office of scrutineer arising from such removal or from any other cause.

In what case poll taken without adjournment.

79. 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 forthwith.

Demand for poll not to prevent transaction of other business.

80. The demand for a poll except on question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.

VOTES OF MEMBERS

Members in arrears not to vote.

81. No Member shall be entitled to vote, either personally or by proxy for another Member at any General Meeting or meeting of a class of share-holders or upon a poll, in respect of any shares registered in his name on which any calls or other sum presently payable by him have not been paid or in regard to which the Company has, and has exercised, any right of lien.

Number of votes to which members entitled.

82. Every Member not disqualified by the last preceding Article shall be entitled to be present, and to speak and vote at such meeting and on a show of hands every Member present in person or by proxy shall have one vote and upon a poll every Member present in person or by proxy shall have one vote for every share held by him either alone or jointly with any other person or persons. Provided, however, if any preference shareholder be present at any meeting of the Company, he shall have a right to vote only on resolutions placed before the

meeting which directly affect the rights attached to his preference shares. The preference shareholders may vote on their resolutions only in the circumstances provided under Section 87(2) of the Act.

83. 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 show of hands or on a poll, by his Committee or other legal guardian, and any such Committee or guardian may, on a poll, vote by proxy: if any Member be minor, the vote in respect of his share shall be by his guardian, or anyone of his guardians, if more than one, to be elected in case of dispute by the Chairman of the meeting.

How Members non-compos mentis and minor may vote

84. If there be joint registered holders of any shares, anyone of such persons may vote at any meeting or may appoint another persons'(whether a Member or not) as his proxy in respect of such shares, as if he were solely entitled thereto, and the proxy so appointed shall have the right to speak at the meeting; and, if more than one of such joint-holders be present at any meeting, that one of the said persons so present, whose name stands higher on the Register, shall be alone entitled to speak and to vote in respect of such shares, but the other or others of the joint-holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased Member, in whose name shares stand, shall, for the purpose of these Articles, be deemed joint-holders thereof.

Votes of Joint-Members.

85. Subject to provisions of these Articles votes may be given either personally or by proxy.

Voting in person or by proxy.

86. A body corporate (whether a company within the meaning of the Act or not) may, if it is a Member of the Company, by resolution of its Board of Directors or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of the Company, or at any meeting of any class of Members of Company. The person authorised as aforesaid shall be entitled to exercise the same rights and powers, including the right to vote by proxy on behalf of the body corporate which he represents, as that body could exercise if it were an individual member.

Representation at Meetings by a body corporate.

87. Every proxy (whether a member or not) shall be appointed in writing under the hand of the appointer or his attorney, or if such appointer is a corporation under the Common Seal of such Corporation, or the hand of its attorney, who may be the appointee, and any Committee or guardian may appoint such proxy, The proxy so appointed shall have the right to speak at the meetings.

Appointment of proxy.

Proxy to vote on a show of hands.	88. A Member present by proxy shall be entitled to vote on a show of hands as well as on a poll.
Deposit of instrument of appointment.	89. The instrument appointing a proxy and the power of attorney or other authority (if any), under which it is signed or a notarially certified copy of that power or authority, shall be deposited at the office not less than twentyfour hours before the time for holding the meeting at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid.
Form of Proxy.	90. Every instrument of proxy whether for a specified meeting or otherwise shall as nearly as circumstances will admit, be in any of the forms set out in Schedule IX of the Act.
Validity of votes given by proxy notwithstanding death of Member.	91. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the principal, or revocation of the proxy or of any power of attorney under which such proxy was signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death, revocation or transfer shall have been received at the office before the commencement of the meeting or adjourned meeting at which the proxy is used.
Time for objection of votes	92. 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.
Chairman of any Meeting to be the judge of validity of any vote.	93. 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.
Minutes of General Meeting and inspection thereof.	<p>94. The Company shall in accordance with the provisions of Section 193 of the Act cause to be kept minutes of all proceedings of general meetings which shall contain a fair and correct summary of the proceedings thereat and a book containing such minutes shall be kept at the Registered Office of the Company and shall be open, during business hours, to the inspection of any Member without charge. Nothing herein contained shall require or be deemed to require the inclusion in any such minutes of any matter which, in the opinion of the Chairman of the meeting, (a) is, or could reasonably be regarded as, defamatory of any person, or, (b) is irrelevant or immaterial to the proceedings, . or</p> <p>(c) is detrimental to the interest of the Company. The Chairman of the meeting shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the aforesaid grounds. Any such minutes, if purporting to be signed by the Chairman of the meeting at which the proceedings took place or by the Chairman of the next succeeding meeting, shall be conclusive evidence of the proceedings.</p>

DIRECTORS

95.* The President shall from time to time determine in writing the number of Directors of the Company. The Directors shall not be required to hold any qualification shares.

Number of Directors.

96. Only an individual and not a body corporate, association or firm, shall be appointed a Director of the Company.

Only individual to be a director.

97. (1) The Directors shall be appointed by the President and shall be paid such remuneration as the President may, from time to time, determine.

President to appoint the Directors.

** Provided that the appointment of any Director other than the Chairman and the Government representatives on the Board shall be made in consultation with the Chairman.

(2) *The Directors appointed shall be entitled to hold office for such period as the President may determine.

(3) The President shall have the power to remove any Director from office at any time in his absolute discretion.

** Provided that the Chairman shall be consulted before removing from Office any Director appointed in accordance with the proviso to clause (1).

(4) The President shall have the right to, fill any vacancy in the office of the Directors caused by removal, resignation, death or otherwise by fresh appointment.

98.*** Subject to the provisions of the Act and to such directives as the President may issue from time to time under Article 159 hereof, the business of the Company shall be managed by the Directors who may exercise all such powers and do all such acts and 'things as the Company is authorised to exercise and do.

General power of Company vested on Directors.

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 to be 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 or Articles of the Company, or in any regulations made by the Company in General Meeting.

* Substituted at the 20th Annual General Meeting held on 27-09-1984.

** Inserted at the 8th Annual General Meeting held on 23-09-1972.

*** Substituted at the Extra-ordinary General Meeting held on 17-12-1969.

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.

What continuing Directors may do in case of reduction of their number below quorum.

99. 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 these Articles as the necessary quorum of Directors, the continuing Directors may act for the purpose of summoning a General Meeting, but for no other purpose.

When office of Directors to be vacated.

100. The office of a Director shall become vacant if :-

- (1) (a) he is found to be of unsound mind by a Court of competent jurisdiction; or
 - (b) he applies to be adjudicated an insolvent ; or
 - (c) he is adjudged an insolvent; or
 - (d) he is convicted by a Court of any offence involving moral turpitude and is sentenced in respect thereof to imprisonment for not less than six months; or
 - (e) he fails to pay any call made on him in respect of shares of the Company held by him, whether alone or jointly with others, within six months from the date fixed for payment of such call, or
 - (f) he or any of his relatives or partners or any firm of which he or any of his relatives is a partner of any private company of which he is a Director or Member, without the sanction of the company in General Meeting, accepts or holds any office of profit under the Company, other than that of Managing Director or Manager or legal or Technical Adviser or Banker or Trustee for the holders of debentures of the Company; or
- * Provided that it shall be sufficient if the special resolution according the consent of the Company is passed at the General Meeting of the Company held for the first time after the holding of such office or place of profit
- (g) he absents himself from three consecutive meetings of the Board of Directors or from all meetings of the Board of Directors for a continued period of three months, whichever is longer, without leave of absence from Board of Directors; or

* Inserted at the 10th Annual General Meeting held on 28-09-1974.

- (h) he becomes disqualified by an order of Court under Section 203 of the Act; or
- (i) he is removed in pursuance of Section 284 of the Act; or
- (j) he acts in contravention of Section 299 of the Act.

(2) Disqualification 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 of; or
- (c) where within the seven days aforesaid, any further appeal or petition is preferred in respect of the adjudication, sentence, conviction or order and, the appeal or petition, if allowed, would result in the removal of the disqualification until such further appeal or petition is disposed of.

101. A Director or his relative, a firm in which such Director or relative is a partner, any other partner in such firm or a private company of which the Director is a member or a Director may enter into any contract with the Company for the sale, purchase or supply of goods, materials, services or for underwriting the subscription of any shares in, or debentures of the Company provided that the sanction of the Board is obtained before or within two months of the date on which the contract is entered into in accordance with Section 297 of the Act. No sanction, however, shall be necessary to any such contract in which the Director, firm, partner or Company, as the case may be, regularly trades or does business where the value of such goods and materials or the cost of such services do not exceed Rupees Five Thousand in the aggregate in any calendar year comprised in the period of the contract. The Director so contracting or being so interested shall not be liable to the Company for any profit, realised by any such contract by reason of such Director holding that office, or the fiduciary relation thereby established, but it is declared that the nature of his interest must be disclosed by him at a meeting of the Board of Directors at which contract is first taken into consideration, if his interest then exists, or in any other case at the first meeting of the Board of Directors after acquisition of his interest.

Director
contract
Company may
with

102. For the purposes of Article 101 a general notice given to the Board of Directors by a Director to the effect that he is a Director or a Member of a specified body corporate or is a Member of a specified firm and is to be regarded as concerned or interested in any contract or arrangement which may, after the

Disclosure of
interest

date of the notice, be entered into with that body corporate or firm shall be deemed to be a sufficient disclosure of concern or interest in relation to any contract or arrangement so made. Any such general notice shall expire at the end of the financial year in which it is given but may be renewed for further periods of one financial year at a time by a fresh notice given in the last month of the financial year in which it would have otherwise expired. No such general notice, and no renewal thereof, shall be of effect unless either it is given at a meeting of the Board of Directors, or the Director concerned takes reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given.

Register of contracts in which Directors are interested.

103. The Company shall keep a register in accordance with Section 301 of the Act, and shall enter therein such of the particulars as may be relevant having regard to the application thereto of Section 297 or Section 299 of the Act as the case may be. The register aforesaid shall also specify, in relation to each Director of the Company, the names of the bodies corporate and firms of which notice has been given by him under Articles 101 and 102. The Register shall be kept at the Registered Office of the Company and shall be open to inspection at such office, and extracts may be taken therefrom and copies thereof may be required by any Member of the Company to the same extent in the same manner and on payment of the same fee as in the case of the Register of Members of the Company and the provision of Section 163 of the Act shall apply accordingly.

Directors may be Directors of companies promoted by the Company.

104. A Director may be or become a Director of any Company promoted by the Company, or in which it may be interested as a vendor, share holder or otherwise, and no such Director shall be accountable for any benefits received as Director or shareholder of such company except insofar as Section 314 of the Act may be applicable.

Register of Directors, etc. and notification of change to Registrar.

105 (a) The Company shall keep at its Registered Office a Register containing the particulars of its Directors, Manager, Secretaries, and other persons mentioned in Section 303 of the Act and shall send to the Registrar, a Return containing the particulars specified in the said Section and shall otherwise comply with the provisions of the said Section in all respects.

(b) The Company shall also keep at its Registered Office a Register in respect of the shares and/or Debentures of the Company held by its Directors as required by Section 307 of the Act and shall otherwise duly comply with the provisions of the said Section in all respects.

Disclosure by Director of appointment to any other body corporate.

106. (a) Every Director (including a person deemed to be a Director by virtue of the Explanation to Sub-Section (1) of the Section 303 of the Act), Managing Director, Manager or Secretary of the Company shall within 20 days of his appointment to any of the above offices in any other body corporate disclose to the Company the particulars relating to his office in the other body corporate which are required to be specified under Sub-Section(1) of Section 303 of the Act.

(b) Every Director and every person deemed to be a Director of the Company by virtue of Sub-Section (10) of Section 307 of the Act, shall give notice to the Company of such matters relating to himself as may be necessary for the purpose of enabling the Company to comply with the provisions of that Section.

CHAIRMAN AND MANAGING DIRECTOR

107. ^{**}(1) The President may, from time to time, appoint one or more of the Directors to the office of the Chairman of the Board of Directors, or Managing Director or Managing Directors, ^{*}(whole time Director(s)) of the Company for such time and on such remuneration as he may think fit and may, from time to time, remove or dismiss him or them from service and appoint another or others in his or their place or places. Any such Director appointed to any such office shall, if he ceased to hold the office of the Director from any cause, *ipso facto*, and immediately ceases to be Chairman/Managing Director ^{*}(whole-time Director(s)) as the case may be.

Appointment of
C h a i r m a n ,
M a n a g i n g
Director, etc.

107. (2) The President may, from time to time entrust to and confer upon the Chairman, Managing Director(s), ^{*}(whole time Director(s)) General Manager(s), for the time being such of the powers exercisable under these Articles by the Directors as he may think fit and may confer such powers for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions as he may think expedient, and he may confer such powers either collaterally with or to the exclusion of and in substitution for all or any of the powers of the Directors in that behalf, and may, from time to time, revoke, withdraw, alter or vary all or any of such powers.

PROCEEDING OF THE BOARD OF DIRECTORS

108. ^{***}Subject to Section 285 of the Act, the Directors may meet together for the despatch of business from time to time and shall so meet at least once in every three calendar months and they may adjourn and otherwise regulate their meetings as they think fit. Provided that the Directors shall hold a meeting at least once in every three calendar months and at least four such meetings shall be held in every year.

Meeting of
Directors.

109. Subject to Section 287 of the Act, the quorum for a meeting of the Board of Directors shall be one-third of its total strength (excluding Directors, if any, whose places may be vacant at the time and any fraction contained in that one-third being rounded off as one), or two Directors, whichever is higher, Provided that where at any time the number of interested Directors exceeds or it is equal to two-thirds, of the total strength the number of the remaining Directors, that is to say, the number of Directors who are not interested, present at the meeting being not less than two shall be the quorum during such time.

Quorum

* Inserted at the 10th Annual General Meeting held on 28-09-1974.

** Substituted at the Extra - ordinary General Meeting held on 17-12-1969.

*** Substituted at the 8th Annual General Meeting held on 23-09-1972.

When Meeting to
be convened.

110. A Director may at any time and the Secretary upon the request of a Director shall convene a meeting of the Board of Directors by giving a notice in writing to every Director for the time being in India and at his usual address in India.

Chairman

111. If no Chairman is appointed by the President, or if at any meeting the Chairman is not present within 10 minutes after the time for holding the same, the Directors present may choose one of their number to be Chairman of the meeting.

112. Questions arising at any meeting shall be decided by a majority of votes, and in case of an equality of votes, the Chairman shall have a second or casting vote.

Power of Board at
Meeting

113. A meeting of the Board of Directors for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions which by or under the Act or the Articles of the Company are for the time being vested in or exercisable by the Board of Directors generally.

Directors may
a p p o i n t
Committees.

114. Subject to the restrictions contained in Section 292 of the Act, the Board of Directors may delegate any of their powers, to Committees of the Board consisting of such Member or Members of its body as it thinks fit, and it may from time to time revoke and discharge any such Committee of the Board either wholly or in part, and either as to persons or purposes; but every Committee of the Board so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board of Directors. All acts done by any such Committee of the Board in conformity with such regulations and in fulfilment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board. The proceedings of such Committee/Committees shall be placed before the Board of Directors at its next Meeting.

Meeting of
Committee how
to be governed.

115. The Meetings and proceedings of any such Committee of the Board consisting of two or more Members shall be governed by the provisions herein contained for regulating the meeting and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulation made by the Directors under the last preceding Article, if Chairman of the Board of Directors is a member of such Committee, he will be the Chairman of this Committee also. If the Chairman of the Board of Directors is not a member of such Committee of the Board, such Committee of the Board may elect a Chairman of their meetings; if no such Chairman is elected or if at any such meeting the Chairman is not present within 10 minutes after the time appointed for holding the same the members present may choose one of their number to be Chairman of the meeting.

116. Subject to the provisions of Section 292 of the Act. the Board of Directors or a Committee thereof may exercise their powers by means of resolution passed by circulation. No resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation, unless the resolution has been circulated in draft together with the necessary papers if any, to all the Directors, or to all the Members of the Committee then in India (not being less in number than the quorum fixed for a meeting of the Board or Committee, as the case may be), and to all other Directors or Members of the Committee, at their usual address in India and has been approved by such of the Directors or Members of the Committee as are then in India or by a majority of such of them, as are then in India, or by a majority of such of them as are entitled to vote on the resolution.

Resolution by circulation.

117. All acts done by any meeting of the Board or by a Committee of the Board or by any person acting as a Director shall, notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Directors or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director and had not vacated office or his appointment had not been terminated. Provided that nothing in this Article shall be deemed to give validity to acts done by a Director after his appointment is shown to the Company to be invalid or to have terminated.

Acts of Board or Committee valid notwithstanding informal appointment.

118. The Directors shall cause minutes to be duly entered in a book or books provided for the purpose in accordance with the provisions of Section 193 of the Act :-

Minutes of proceedings.

- (i) of the names of the Directors present at each meeting of the Board of Directors, and of any Committee of the Board;
- (ii) of all orders made by the Board of Directors and Committee of the Board;
- (iii) of all resolutions and proceedings of meeting of the Board of Directors and Committee of the Board; and
- (iv) in the case of each resolution passed at meeting of the Board of Directors, or Committees of the Board, the names of Directors, if any, dissenting from or not concurring in the resolution.

Any such minutes of any meeting of the Board of Directors or of any Committee of the Board or of the Company if purporting to be signed by the Chairman of such meeting or by the Chairman of the next succeeding meeting, shall be received as conclusive evidence of the matters stated in such minutes.

Powers of
Directors.

119. *(a) The Chairman shall reserve for the decision of the President any proposals or decisions of the Directors in any matter which, in the opinion of the Chairman, is of such importance as to be reserved for the approval of the President. No action shall be taken by the Company in respect of any proposal or decision of the Directors reserved for the approval of the President as aforesaid until his approval to the same has been obtained.

119. (b) Without prejudice to the generality of the above provision, the Directors shall reserve for the decision of the President;

- (i) All appointments to posts in the scale of pay Rs. 2,500-3,000 and above per mensem, of persons who have already attained the age of 58 years, whether they be from public or private sector. (This shall not apply to the appointment of foreign technicians).
- (ii) ** Any matter relating to the sale, lease, exchange, mortgage and/or disposal otherwise of the whole or substantially the whole of the undertaking of the Company.
- (iii) Any matter relating to :
 - (a) the promotion of Company/companies;
 - (b) entering into partnership and/of arrangement for sharing profits;
 - (c) formation of subsidiary company/companies;
 - (d) taking or otherwise acquiring and holding shares in any other company;
 - (e) division of capital into different classes of shares;
 - (f) winding up of the Company.

119. (c) Notwithstanding anything contained elsewhere in these Articles, the President shall have power :-

- (i) to receive and approve the Company's operating plan under procedures accepted from time to time by the Central Government.
- (ii) to receive and approve the Company's revenue budget in case there is an element of deficit which is proposed to be met by obtaining funds from the Central Government, under procedures accepted from time to time by the Central Government.
- (iii) to approve the agreements involving foreign collaboration proposed to be entered into by the Company; and

*Substituted at the Extra-ordinary General Meeting held on 17-12-1969.

** Substituted at the 25th Annual General Meeting held on 29-09-1989.

- (iv) 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.

120. Without prejudice to the general powers conferred by the Article 98 and so as not in any way to limit or restrict those powers, and without prejudice to the other powers conferred by these Articles, it is hereby declared that the Directors shall have the following powers that is to say, power;

Certain specific powers of the Board.

(1) To sanction capital expenditure in cases where detailed Project Reports have been prepared with estimates of different component parts of the Projects and where such Project Reports have been approved by Central Government. In such cases it will not ordinarily be necessary for the Board to obtain Central Government's sanction to the incurrence of Capital Expenditure.

To sanction Capital Expenditure

NOTES : (a) In case of variations in approved estimates which are not more than 10% for any particular component part, the Board of Directors will be competent to proceed with the work without further reference to Government provided there is no substantial variation in the scope of the Project.

(b) This power also covers invitation to and acceptance of tenders relating to all works included in the detailed Project Report.

** To authorise the undertaking of works of a Capital nature in advance of the preparation and approval of detailed project report with estimates or otherwise as individual works, subject to the condition that all cases involving a capital expenditure on new projects and in the case of replacement and renewals shall not exceed the limit delegated by the Government vide letter No. 1(18)/86-DPE(MOU) dated 29-8-90 and as may be revised from time to time and subject to such condition as may be prescribed.

(2) To pay and charge to the capital account of the Company any interest lawfully payable thereout under the provision of Section 208 of the Act.

To charge to Capital Account

(3) Subject to the provisions of Section 292 and 297 of the Act, to purchase or *(take on lease) or otherwise acquire for the Company any property, rights or privileges, which the Company is authorised to acquire at or for such price or consideration and generally on such terms and conditions as they may think fit; and in any such purchase or other acquisition to accept such titles as the Directors may believe or may be advised to be reasonably satisfactory.

To purchase or acquire property.

* Inserted at the 8th Annual General Meeting held on 23-09-1972.

** Substituted at the Extra-ordinary General Meeting held on 01-12-1990.

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| To pay for property in cash or otherwise. | (4) At their discretion and subject to the provisions of the Act to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures, mortgages or other securities of the Company, and any such shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures, mortgages or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged. |
| To secure obligations by mortgage etc. | (5) To secure the fulfilment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such manner as they may think fit. |
| To accept surrender of shares. | (6) To accept from any member, so far as may be permissible by law a surrender of his shares or any part thereof, on such terms and conditions as shall be agreed. |
| To appoint Trustees. | (7) To appoint any person to accept and hold in trust for the Company any property belonging to the Company, or in which it is interested, or for any other purposes; and to execute and do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees. |
| To bring and defend action, etc. | (8) To institute, conduct, defend, compound, or abandon any legal proceedings by or against the Company or its officers, or otherwise concerning the affairs of the Company and also to compound and allow time for payment or satisfaction of any debts due and of any claims or demands by or against the Company, and to refer any differences to arbitration, and observe and perform any awards made thereon. |
| To act in case of bankrupts. | (9) To act on behalf of the Company in all matters relating to bankrupts and insolvents. |
| To open Bank Accounts. | (10) To open any account or accounts' with such bank or banks as the Board of Directors may select or appoint to operate on such accounts to make, sign, draw, accept, endorse or otherwise execute cheques. promissory notes, drafts, hundies, orders, bills of exchange, bills of lading and other negotiable instruments. To make and give receipts, releases and other discharges for moneys payable to the Company and for claims and demands of the Company. |
| To Invest money. | (11) Subject to the provisions of Sections 292, 370 and 372 of the Act, to invest and deal with any moneys of the Company not immediately required for the purposes thereof upon such security (not being shares of this Company) or without security and in such manner as they may think fit, and from time to time to vary or realise such investments. Save as provided in Section 49 of the Act, all investments shall be made and held in the Company's own name. |

- (12) To execute in the name and on behalf of the Company in favour of any Directors or other person who may incur or be about to incur any personal liability whether as principal or surety for the benefit of the Company such mortgages of the Company's property (present and future) as they think fit, and any such mortgages may contain a power of sale and such other powers, provisions, covenants and agreements as shall be agreed upon. To give security.
- (13) To determine from time to time who shall be entitled to sign, on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose. To authorise acceptance of Bills etc.
- (14) *To distribute by way of bonus or ex-gratia payment in the form of cash awards amongst the staff of the Company a share or shares in the profits of the Company and to give to any officers or other person employed by the Company a commission on the profits of any particular business or transaction and to charge such bonus or expenses as a part of the working expenses of the Company. To give commission or bonus.
- (15) To provide for the welfare of employees or ex-employees of the Company and the wives, widows and families or the dependents of such persons, by building or contributing to the building of houses, dwellings or chawls or by grants of money, pensions, gratuities, allowances, bonus or other payments or by creating and from time to time subscribing or contributing to provident and other associations, institutions, funds or trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board of Directors shall think fit; and to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or objects which shall have any moral or other claims to support or aid by the Company either by reason of locality of operation or of public and general utility or otherwise. To provide welfare measures.
- (16) Before recommending any dividend to set aside, out of the profits of the Company such sums as they may think proper for depreciation or to depreciation fund or to an Insurance Fund, or as a Reserve Fund or Sinking Fund or any special fund to meet contingencies or to repay debentures or for special dividends or for equalising dividends or for repairing, improving, extending and maintaining any of the property of the Company and for such other purposes (including the purposes referred to in the preceding clauses), as the Board of Directors may, in their absolute discretion, think conducive to the interest of the Company, and subject to the provisions of Section 205 of the Act to invest the several sums so set aside or so much thereof as required to be invested upon such investments (other than shares of the Company) as they To Create Reserve Fund etc.

* Substituted at the Extra-ordinary General Meeting held on 17-12-1969.

may think fit, and from time to time deal with and vary such investments and dispose of and apply and expand all or any part thereof for the benefit of the Company in such manner and for such purposes as the Board of Directors in their absolute discretion think conducive to the interest of the Company notwithstanding that the matters to which the Board of Directors apply or upon which they expend the same, or any part thereof may be matters to or upon which the capital moneys of the Company might rightly be applied or expended; and to divide the Reserve Fund into such special funds as the Board of Directors may think fit, and to employ the assets constituting all or any of the above funds, including the depreciation fund, in the business of the Company or in the purchase or repayment of debentures or debenture stock and that without being bound to keep the same separate from the other assets, and without being bound to pay interest on the same, with power however to the Board of Directors at their discretion to pay or allow to the credit of such funds interest at such rate as the Board of Directors may think proper, not exceeding nine percent per annum.

To appoint staff,
etc.

(17) To appoint, and at their discretion remove or suspend such managers, secretaries, assistants, supervisors, clerks, agents and servants for permanent temporary or special services as well as trainees, apprentices, etc. as they may from time to time think fit, and to determine their powers and duties, and fix their salaries, emoluments, remuneration or stipends and to require security in such instances and to such amount as they may think fit. And also without prejudice as aforesaid, from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit; and the provisions contained in the three next following sub-clauses shall be without prejudice to the general powers conferred by this sub-clause.

To establish
Local Boards.

(18) From time to time and at any time to establish any Local Board for managing any of the affairs of the Company in any special locality in India or elsewhere and to appoint any persons to be Members of such Local Boards, and to fix their remuneration. Subject to the provisions of Section 292 of the Act, and regard being had to Proviso (1) to Sub-Section 1 thereof from time to time, and at any time to delegate to any person so appointed any of the powers, authorities and discretions for the time being vested in the Board of Directors, other than their power to make calls or to make loans or borrow moneys; and to authorise the members for the time being of any such Local Board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies; and any such appointment or delegation may be made on such terms, and subject to such conditions as the Board of Directors may think fit, and the Board of Directors may at any time remove any person so appointed, and may annul or vary any such delegation. The Local Board and/or the person so appointed shall make a written report each month of its/his work and progress during the preceding calendar month and the report shall be placed before the Board of Directors at its next meeting.

To delegate
powers.

(19) At any time and from time to time by Power of Attorney under the seal of the Company to appoint any person or persons to be the Attorney or Attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board of Directors under these presents and excluding the power to make calls and excluding also except in the limits authorised by the Board the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board of Directors may from time to time think fit; and any such appointment may (if the Board of Directors think fit) be made in favour of the members of any Local Board, established as aforesaid or in favour of any Company, or the shareholders, Directors, nominees, or managers of any Company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board of Directors and any such power of Attorney may contain such powers for the protection or convenience of persons dealing with such Attorneys as the Board of Directors may think fit, and may contain powers enabling any such delegates or Attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretions for the time being vested in them.

To appoint Attorneys.

(20) Subject to the provisions of Sections 294 and 297 of the Act, for or in relation to any of the matter aforesaid or otherwise for the purposes of the Company to enter into such negotiations and contracts and rescind and vary all such contracts and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.

To enter into contracts.

(21) Subject to the provisions of Section 292 of the Act to delegate to any person all or any of the powers, authorities and discretions vested to them, subject, however, to the ultimate control being retained by them.

May delegate powers.

(22) To make bye-laws and vary and repeal them from time to time for the regulation of the business of the Company, its officers and servants.

May make bye laws.

(23)*To create posts and make appointments thereto except those in respect of which powers of creation and appointment have been reserved for the President.

May create posts and make appointments.

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

General Authority

SECRETARY

121. The Directors may from time to time appoint, and at their discretion remove, a person (hereinafter called "the Secretary") to perform any functions which by the Act or the Articles for the time being of the Company are to be performed by the Secretary and to execute any other duties which may from time to time be assigned to the Secretary by the Directors. The Directors may also at any time appoint some person (who need not be the Secretary) to keep the registers required to be kept by this Company.

Secretary

* Inserted at the 20th Annual General Meeting held on 27-09-1984.

* Inserted at the 51st Annual General Meeting held on 15-09-2015.

THE SEAL

The Seal, its custody and use.

122. The Board of Directors shall provide a common seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof, and the Board of Directors shall provide for the safe custody of the seal for the time being, and the seal shall never be used except by the authority of the Board of Directors or a Committee of the Board previously given and in the presence of two Directors at the least.

Deeds how executed.

123. Every Deed or other instrument to which the seal of the Company is required to be affixed shall unless the same is executed by a duly constituted attorney, be signed by two Directors at the least.

DIVIDEND

124. The Profits of the Company, subject to any special rights relating thereto created or authorised to be created by these presents and subject to the provisions of the Articles, shall be divisible among the Members in proportion to the amount of capital paid up on the shares held by them respectively.

The Company in General Meeting may declare a dividend.

125. *The Company in General Meeting may declare dividends, to be paid to members according to their respective rights but no dividend shall exceed the amount recommended by the Board of Directors.

Dividends only to be paid out of profit.

126. No dividend shall be declared or paid by the Company for any financial year except out of profits of the Company for that year arrived at after providing for the depreciation in accordance with the provisions of Sub-Section (2) of Section 205 or out of profits of the Company for any previous financial year or years arrived at after providing for the depreciation in accordance with those provisions and remaining undistributed or out of both or out of moneys provided by the Government for the payment of dividend in pursuance of a guarantee given by the Government, and no dividend shall carry interest as against the Company. The declaration of the Board of Directors as to the amount of the profits of the Company shall be conclusive.

Interim Dividend.

127. The Board of Directors, may, from time to time, pay to the Members such interim dividend as in their judgement the position of the Company justifies.

Capital paid up in advance at interest not to earn dividend

128. Where capital is paid 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.

Dividends in proportion to amount paid up

129. The Company shall 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.

*Substituted at the Extra-ordinary General Meeting held on 17-12-1969.

130. The Board of Directors may retain the dividends payable upon shares in respect of which any person is, under Article 56, entitled to become a Member, or which any person under that Article is entitled to transfer until such person shall become a Member, in respect of such shares or shall duly transfer the same.

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

Transfer of shares
be registered.

132. Subject to the provisions of Section 205 of the Act no dividend shall be payable except in cash.

S p e c i a l
provisions in
reference to
dividends.

133. Unless otherwise directed any dividend may be paid by cheque or warrant or by a pay-slip or receipt having the force of a cheque or warrant sent through the post to the registered address of the Member or person entitled or in case of joint-holders to that one of them first named in the Register in respect of the joint-holding. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. The Company shall not be liable or responsible for any cheque or warrant or pay-slip or receipt lost in transmission, or for any dividend lost to the Member or person entitled thereto by the forged endorsement of any cheque or warrant or the forged signature of any pay-slip or receipt or the fraudulent recovery of the dividend by any other means..

134.* The unclaimed Dividend will not be forfeited and will be dealt with as per the provisions of Section 205A of the Companies Act, 1956.

U n c l a i m e d
Dividend

135. Any General Meeting declaring a dividend may make a call on the Members of such amount as the meeting fixes, 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.

Dividends and
call together

136. (a) A General Meeting may resolve that any moneys, investments, or other assets forming part of the undivided profits of the Company standing to the credit of the reserve fund, or any capital redemption reserve account, or in the hands of the Company and available for dividends (or representing premiums received on the issue of shares and standing to the credit of the shares premium account) be capitalised and distributed amongst such of the shareholders as would be entitled to receive the same if distributed by way of dividend and in the same proportions on the footing that they become entitled thereto as capital and that all or any part of such capitalised fund be applied on behalf of such shareholders in paying up in full either at par or at such premium as the resolution may provide, any unissued shares or debentures of the Company which shall be distributed accordingly or in or towards payment of the uncalled liability on

Capitalisation

*Substituted at the Extra-ordinary General Meeting held on 21-02-1992.

any issued shares or debentures and that such distribution or payment shall be accepted by such shareholders in full satisfaction of their interest in the said capitalised sum.

(b) A General Meeting may resolve that any surplus moneys arising from the realisation of any capital assets of the Company or any investments representing the same, or any other undistributed profits of the Company not subject to charge for income-tax, be distributed among the Members on the footing that they receive the sum as capital.

(c) For the purpose of giving effect to any resolution under the preceding paragraphs of this Article the Board of Directors may settle any difficulty which may arise in regard to the distribution as it thinks expedient and in particular may issue fractional certificates, and may determine that such cash payments shall be made to any Member upon the footing of the value so fixed or that fractions of less value than Rs. 10/- may be disregarded in order to adjust the rights of all parties, and may vest any assets in trustees upon such trusts for the persons entitled to the dividend or capitalised fund as may seem expedient to the Board of Directors. Where requisite, a proper contract shall be delivered to the Registrar for registration in accordance with Section 75 of the Act, and the Board of Directors may appoint any person to sign such contract on behalf of the persons entitled to the dividend or capitalised fund, and such appointment shall be effective.

ACCOUNTS

Directors to keep
time accounts.

137. The Company shall cause to be kept proper books of account with respect to:-

- (1) (a) all sums of money received and expended by the Company and the matters in respect of which the receipts and expenditure take place;
- (b) all sales and purchases of the goods by the Company;
- (c) the assets and the liabilities of the Company.
- (2) The books of accounts shall be kept at the Registered Office or at such other place or places in India as the Board of Directors think fit and shall be open to inspection by any Director during business hours.

Provided that the books of account shall also be open to inspection by the Registrar or by any officer of the Central Government authorised by the Central Government in this behalf if in the opinion of the Registrar or such officer sufficient cause exists for the inspection of books of account.

- (3)* The Books of account of the Company relating to a period of not less than 8 years immediately preceding the current year together with the vouchers relevant to any entry in such books of account shall be preserved in good order.

Provided that in the case of Company incorporated less than 8 years before the current year, the books of account as aforesaid for the entire period preceding the current year together with the vouchers relevant to any entry in such books of account shall be so preserved.

138. The Board of Directors shall from time to time determine whether and to what extent and at what time and place and under what conditions or regulations the accounts and books of the Company or any of them shall be open to the inspection of Members not being Directors, and no Member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorised by the Board of Directors or by the Company in General Meeting.

As to inspection
of accounts and
books by
Members.

139. At least once in each year, the Board of Directors shall lay before an Annual General Meeting of the Company a Profit and Loss Account and a Balance Sheet, containing a summary of the property and assets and of the capital and liabilities of the Company, made up to date not earlier than the date of the meeting by more than six months (nine months in the case of first Annual General Meeting) or such extended period as may be permitted under the Act.

Statement of
Accounts to be
furnished to
General
Meeting.

140. Every Balance Sheet shall give a true and fair view of the state of affairs of the Company as at the end of the financial year and shall, subject to the provisions of Section 211 of the Act be in the form set out in Part I of Schedule VI to the Act or as near thereto as the circumstances admit. The Profit and Loss Account of the Company shall give a true and fair view of the profit and loss of the Company for the financial year and shall comply with the requirements of Part II of Schedule VI of the Act, so far as they are applicable thereto.

Profit and Loss
Account.

141. Every such Balance Sheet shall be accompanied by a report of the Board of Directors as to the state of the Company's affairs and as to the amounts, if any which it proposes to carry to any reserves in such Balance Sheet and the amount, if any, which it recommends should be paid by way of dividend. The Board's Report shall, so far as is material for the appreciation of the state of the Company's affairs by its Members and will not in the Board's opinion be harmful to the business of the Company deal with any changes which have occurred during the financial year in the nature of the Company's business and generally in the classes of business in which the Company has an interest. The Board shall also give the fullest information and explanation in its report aforesaid, or

Board's Report

*Substituted at the 8th Annual General Meeting held on 23-09-1972.

in an addendum to that report, on every reservation, qualification or adverse remark contained in the Auditor's Report. The Board's Report shall also give material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the Balance Sheet relates and the date of the report. The Board's Report and any addendum thereto shall be signed by not less than two Directors or by the Chairman of the Board of Directors if authorised in that behalf by the Board.

Balance Sheet
and Auditor's
Report

142. The Profit and Loss Account and Balance Sheet shall be signed by two Directors and by the Managing Director or the Secretary (if any) of the Company provided that if there is only one Director present in India at the time, the Profit and Loss Account and Balance Sheet shall be signed by such Director but in such a case there shall be sub-joined to the Profit and Loss Account and Balance Sheet a Statement signed by such Director explaining the reasons for non-compliance with the aforesaid provision requiring the signature of two Directors. The Profit and Loss Account and Balance Sheet shall be audited by the Auditor as hereinafter provided and the Auditor's Report shall be attached thereto, or there shall be inserted at the foot thereof a reference, to the Auditor's Report, and such report shall be read before the Company in General Meeting and shall be open to inspection by any Member.

Shall be sent to
each member.

143. *A Copy of every such Profit and Loss Account and Balance Sheet, so audited (including the Auditor's Report and every other document required by law to be annexed or attached to the Balance Sheet) shall at least twenty-one days before the meeting at which the same are to be laid before the Members, be sent to the Members of the Company to holders of debentures issued by the Company (not being debentures which ex facie are payable to the bearer thereof) to trustees for the holders of such debentures and all persons entitled to receive notices of General Meeting of the Company. Provided that if the copies of the documents aforesaid are sent less than twenty-one days before the date of the meeting, they shall, notwithstanding that fact, be deemed to have been duly sent if it is so agreed by all the members entitled to vote at the meeting.

AUDIT

Accounts to be
audited.

144. (1) Once at least in every year the accounts of the Company shall be examined, and the correctness of the Profit and Loss Account and Balance Sheet ascertained by an Auditor or Auditors.

(2) So long as the Company is a Government Company, the Auditors shall be appointed in the manner prescribed by Section 619 of the Companies Act, 1956, and they shall be remunerated accordingly.

*Substituted at the Extra-ordinary General Meeting held on 17-12-1969.

145. Every Auditor shall have a right of access at all times to the books and accounts and vouchers of the Company and shall be entitled to require from the Directors and Officers of the Company such information and explanations as may be necessary for the performance of the duties of the Auditors, and the Auditors shall make a report to the Members on the accounts examined by them and on every Balance Sheet and Profit and Loss Account laid before the Company in General Meeting during their tenure of office, and the report shall state (a) whether or not they have obtained all the information and explanations they have required; (b) whether or not, in their opinion, the Balance Sheet and Profit and Loss Account referred to in the Report are drawn up in conformity with the law; (c) whether or not such Balance Sheet exhibits a true and correct view of the state of the Company's affairs according to the best of their information and the explanations given to them and as shown by the books of the Company; and (d) whether in their opinion, books of accounts have been kept by the Company as required by Section 209 of the Act. Such report shall be read before the Company in General Meeting.

Company's Books etc., shall always be open to Auditors.

146. Every Auditor shall be entitled to receive notice of and to attend any General Meeting at which any accounts which have been examined or reported on by him are to be laid before the Company, and may make any statement or explanation he desires with respect to the accounts.

Auditors to receive notices of certain meetings.

DOCUMENTS AND NOTICES

147. (1) A document or notice may be served or given by the Company on 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, in India supplied by him to the Company for serving documents or notices on him.

(2) Where a document or notice is sent by post, service of the document or notice shall be deemed to be effected by properly addressing, preparing and posting a letter containing the document or notice and such service shall be deemed to have been effected in the case of a Notice of a Meeting, at the expiration of forty-eight hours after the letter containing the document or notice is posted and in any other case, at the time at which the letter would be delivered in the ordinary course of post.

148. A document or notice advertised in a newspaper circulating in the neighbourhood of the Registered Office of the Company shall be deemed to be duly served or sent on the day on which the advertisement appears on or to every Member who has no registered address in India and has not supplied to the Company an address within India for the serving of documents on or the sending of notices to him.

By Advertisement.

- On joint-holders. 149. A document or notice may be served or given by the Company on or to the joint-holders of a share by serving or giving the document or notice on or to the joint-holder, named first in the Register in respect of the share.
- On personal representatives etc. 150. Document or notice may be served or given by the Company on or 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 serving the document or notice in any manner in which the same might have been given if the death or insolvency had not occurred.
- On whom documents or notices of General Meetings to be served or given. 151. Documents or Notices of every General Meeting shall be served or given in same manner hereinbefore authorised on or to (a) every members, (b) every person entitled to a share in consequence of the death or insolvency of Member and (c) the Auditor or Auditors for the time being of the Company.
152. Every person, who, by operation of law, transfer or other means whatsoever, shall become entitled to any share, shall be bound by every document or notice in respect of such share, which, previously to his name and address being entered on the Register, shall have been duly served on or given to the person from whom he derives his title to such share.
- Signatures on document or notices. 153. Any documents or notice to be served or given by the Company may be signed by a Director or some person duly authorised by the Board of Directors for such purpose and the signature may be written, printed or lithographed.
- Service of document or notice by Member. 154. All documents or notice to be served or given by Members on or to the Company or any officer thereof shall be served or given by sending it to the Company or Officer at the Registered Office of the Company by post under a certificate of posting or by registered post, or by leaving it at its Registered Office.

WINDING-UP

- Liquidator may divide assets in specie. 155. The liquidator on any winding-up (whether voluntary, under supervision, or compulsory) may, with the sanction of a Special Resolution, divide among the contributories in specie any part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories, as the Liquidator, with the like sanction, shall think fit.

INDEMNITY AND RESPONSIBILITY

156. Subject to the provisions of Section 201 of the Act, every Director, Managing Director, Auditor, Secretary and other officer or servant 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 which any such officer or servant may incur or become liable to by reason of any contract entered into, or act or thing done by him as such officer or servant or in any 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,

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

Individual
responsibility of
Directors.

158. No Member shall be entitled to visit or inspect any works of the Company without the permission of the Directors or to require discovery of or any information respecting any detail of the Company's trading, or any matter which is or may be in the nature of a trade secret, mystery of trade, secret process, or any other matter which may relate to the conduct of the Business of the Company and which, in the opinion of the Directors, it would be inexpedient in the interest of the Company to disclose.

Secrecy clause

159. *Notwithstanding anything contained in any of these Articles, the President may, from time to time, issue such directions as he may consider necessary in regard to the exercise and performance of the functions of the Company in matters involving national security or substantial public interest, and in like manner may vary and annul any such directions. The Directors shall duly comply with and give immediate effect to the directions so issued.

* Substituted at the Extra-ordinary General Meeting held on 17-12-1969.

*Provided that all directives issued by the President shall be in writing addressed to the Chairman. The Board shall except where the President considers that the interest of 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.

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

* Inserted at the 24th Annual General Meeting held on 27-09-1988.

Name of Subscriber		Address, description and occupation, if any
1		2
1	President of India	A.N. Jha, Secretary (Defence Production) Ministry of Defence, New Delhi. (for and on behalf of the President of India)
2.	Shri A. N. Jha	A.N. Jha (S/o. Shri Ganga Nath Jha), Secretary (Defence Production), Ministry of Defence, New Delhi.
3.	Shri K. P. K. Menon	K. P. K. Menon (S/o. Shri M. Gopala Menon deceased), Joint Secretary (PS), Department of Defence Production, Ministry of Defence, New Delhi.
4.	Shri S. P. Mukerji	S.P. Mukerji (S/o. Shri M.N. Mukerji), Deputy Secretary (PS), Department of Defence Production, Ministry of Defence, New Delhi.
5.	Shri Gian Singh	Gian Singh (S/o. Late Bh. Faqir Chand), Under-Secretary Ministry of Defence, New Delhi.

No. of Shares	Signature of subscriber	Signature of witnesses and their addresses, description and occupation
3	4	5
6	(Sd.) A.N. Jha	
1	(Sd.) A.N. Jha	
1	(Sd.) K.P.K. Menon	(Sd.) H.C. Arora, (S/o. Late Shri BISHAN DAS) Section Officer - D (HAL) Ministry of Defence New Delhi.
1	(Sd.) S.P. Mukerji	
1	(Sd.) Gian Singh	