

MEMORANDUM OF ASSOCIATION OF The Bihar State Text-Book Publishing Corporation Ltd

- I. The name of the company is "The Bihar State Text-Book Publishing Corporation Ltd
- II. The Registered Office of the Company will be situated in the State of Bihar.
- III. The objects for which the Company is established are—
 - 1 To acquire and take over business and other activities of the Government of Bihar relating to publication of text books together with all its assets, rights, privileges and liabilities which and as the Government of Bihar may transfer to the Company and to carry on such business and activities, and do, exercise, perform and carry out such functions, powers, and authority as may from time to time be give and directed by the Government of Bihar in that regard or with regard to any other like matter and objects.
 - 2 To publish, print, sell, supply or otherwise deal in text and other books and literatures on all subjects and in all languages for Primary, Secondary and University education in the State of Bihar and else where as may be prescribed and/or approved or required by the Government of Bihar or other educational authorities, institutions and bodies, statutory or otherwise.
 - 3 To carry on business as Publishers and Printers in all its branches and of all kinds, types or Literary, Scientific, Technical, Artistic and other books, works and publications including daily, weekly or other periodical magazines in all languages and on all educational commercial or industrial and allied subjects.
 - 4 To purchase or otherwise acquire, own, establish, either wholly or in part and print, publish, edit, and sell, import or export or otherwise deal in any magazines, pamphlets, leaflets, posters, journals, reviews, pictorials, annuals, supplements, biographies, auto biographies, books of all kinds of different subjects, treatises, pictures, atlases and maps, circulars, encyclopaedias and other literatures or works and publication; to carry on business of press and propagand and to establish organize and run advertising agencies, news and newspaper selling agencies; and to act as advertising consultants, distributing agents for books and other publications of local and foreign publishers, book clubs and associations; to manufacture and deal in pictures photo-graphs. autographs, paintings, pictorials, postcards, calendars, diaries, stationery, artistic goods, artistic materials; and to act as picture framemakers, photographers, artists. sculptors, painters and decorators.

- 5 To use trade marks or trade names or brands for the publication and products of the Company and for the purposes aforesaid to apply for and take out, purchase or otherwise acquire any trade marks patents and patent rights, copyrights, design or other process which may seem useful for the Company's objects and to grant licences to use the same, and to work, develop, carry out, exercise and turn to account the same.
- 6 To enter into agreement with writers, editors, artists, photographers, publishers, printers and others for acquiring sole or other rights in respect of their. it books, publications, writings, articles, dramas, criticism, photoplays, tracts, treatises, essays, thesis, paintings, art works and photographs and to obtain and acquire copyrights and rights of publication and reproduction and other rights of in respect of any articles, essays, cartoons, caricatures, news, information, contributions, etc., and any literary, scientific, technical, artistic or other publication and matters and to turn the same to account or dispose of the same.
- 7 To own, establish or otherwise acquire, expand, run, finance and subsidise, organise, manage or control libraries, reading halls, mobile shows circulating libraries, exhibitionous, cultural. literary and books clubs and associations and to enrol members temporary or permanent for the some and to organize and conduct search work in connection with compilation of books; and to adopt other means of enhancing the business of the Company and sale of its publications and products particular by advertising in newspapers, magazines and periodicals and by circulars or any other means permissible under the law.
- 8 To establish competitions in respect of articles, essays, stories, puzzles, anagrams, contributions and informations suitable for insertion in any publication of the Company, to hold or promote competition of any description authorised by law which may be calculated to promote or advertise the sale of any publication of the Company or of any other person or to enhance or increase the business of the Company and to offer and award prizes, rewards, compensation and premia in connection with such competitions and of such character and upon such terms as may seem expedient and as may be permissible under the law.

- 9 To provide for and furnish or secure to any members or customers of the Company, or to any subscribers or purchasers or possessors of, any publications of the Company, or of any coupons or tickets issued with any publications of the Company, any chattels, conveniences, advantages, benefits, or special privileges which may seem expedient; and either gratuitously or otherwise.
- 10 To own, establish, purchase, take in lease or hire or other wise acquire, superintend, control, assist, run and manage printing presses of all kinds and processes, whether run by electricity. steam, gits, manual or other motive powers, type foundry, rollers, casting and block works, dies-making, book-binding and other allied and ancillary processes, workshops, factories, establishments, books and other stalls and stores.
- 11 To manufacture, buy, sell; import, export, or other wise deal in paper, ink, types. blocks, stationery, machinery, tools, equipment, stories and accessories required for and in connection with the business or business of the Company or for its customers.
- 12 To purchase, take on lease or in exchange hire or otherwise acquire and hold for any estate or interest, any lands, buildings, mills and factories, easements, rights, licences, secret or processes, inventions, machinery. plant, stock-in-trade and any immovable and movable property of any kind necessary or convenient for the purpose of or in connection with the Company's business.
- 13 To obtain from any Government or authority whatsoever any orders or licences; concessions, privileges and rights or other forms of statutory or official authority that may seem to the Company conducive to the carrying into effect of any of the objects of the Company and to exercise and comply with the same.
- 14 To act as agent for Government or other athorities or any manufacturers, merchants, and others and to transact and carry on agency business of every kind and of any description.
- 15 To establish and conduct research, work and promote studies in connection with the printing, publishing and other allied business and trade that may be considered by the Company likely to assist the Company's business and to provide grants for such purposes.

- 16 To carry on any other trade or business whatsoever which can in the opinion of the directors of the Company be advantageously carried on by the Company in connection with or ancillary to the general business of the Company.
- 17 To acquire, liquid, make, construct, equip, maintain, improve, alter and work factories, buildings, roads, water course and other works and conveniences which may be necessary or contentent for the purpose of the Company or may seem calculated directly or indirectly to advance the Company's interests and to contribute to subsidies otherwise assist or take part in the construction, improvement, maintenance, working, management, carrying out or control thereof.
- 18 To improve, manage, cultivate, develop, exchange, let on lease, mortgage, sell, dispose of, turn to accounts, grant rights and privileges in respect of or other wise deal with all or any part of the properties and rights of the Company.
- 19 To sell or sublet any concession or licence obtained or contracts entered into and generally to sell the whole or any part of the property and business of the Company for cash or for the shares or obligations of the person or persons.
- 20 To sell 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 leaving objects all together or in parts similar to those of this Company.
- 21 To enter into any agreement with any authorities whether sovereign, Government, Municipal, local or other wise that may seem conducive to the Company's objects or any of them did to obtain from any such authority rights, licences, privileges and concessions which the Company may think it desirable to obtain and to carry out, exercise and comply with any such arrangements, rights, licenses, privileges and concession.
- 22 To promote and aid in promoting, constitute, for more organise companies, syndicates or partnerships of all kinds for the purpose of acquiring and undertaking any property and liabilities of this Company or of advancing directly or indirectly the objects thereof, or for any other purpose for which this Company may think expedient and to act in respect of such companies or institutions or others as Managing Agents, Secretaries and Treasurers.
- 23 To pay out of the Company's funds, the cost and expense incurred in connection with all matters preliminary and incidental to the formation and incorporation of this and any other Company which may be promoted by this Company.

- 24 To remunerate any person 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 about the formation or promotion of the Company or the conduct of its business
- 25 To acquire by subscription, purchase or otherwise, and to accept and take, hold and sell, shares or stock in any Company, society or undertaking, the objects of which shall, whether in whole or in part, be similar to those of this Company, or such as may be likely to, directly or indirectly, promote or advance the interests of this Company.
- 26 To give any guarantee or provide any security in connection with any loan made by any other person, firm, or body corporate to any other person, firm or body or corporate, any purpose and on any terms whatsoever.
- 27 To assist, in the event of the Company occupying the position of a group Company within the meaning of section 372 of the Companies Act, 1956 or any statutory modifications thereof, any other Company in the group in any manner and to any extent including the giving of loans, and giving the guarantee or the providing of securities of any kind whatsoever in connection with any loan to the latter by any person, firm or body corporate.
- 28 To enter into partnership or any other arrangement for sharing profits, co-operation, joint adventure, reciprocal concession, licence or otherwise with any firm, association, society or body corporate carrying on or engaged in or about to carry on or engage in any business or transaction which this Company is authorised to carry on or engage in so as indirectly or indirectly to benefit the Company and to any give special rights, licences, and privileges in connection with any such arrangement and in particular the right to nominate one more person or persons, whether they be share holders or not, to be Directors of of this Company.
- 29 To amalgamate with any other Company having objects altogether or in part similar to those of this Company.
- 30 To invest and deal with the moneys of the Company not immediately required in such manner, other than the shares of this Company, as may from time to time be determined.
- 31 To borrow or raise money on any terms without security or on the security of land, building, factories, machinery, tools, bills of exchange, promissory notes, bonds, bills of lading, warrants, stocks, shares, debentures, book debts, undertaking of the Company and properties of every description (both present and future) or anyone of more of them (including its uncalled capital).

- 32 To receive grants, loans, advances, or other moneys or deposits or otherwise from State or Central Government, Banks, Companies, Trusts, or individual with or without allowance of interest thereon.
- 33 To create, execute, grant or issue any mortgages, debentures, debenture stock or bonds either at per , premium or discount and either redeemable or irredeemable secured upon all or any part of the undertaking, right and properties of Company (present and future including its uncalled capital).
- 34 To lend money to such persons or companies and on such terms as may seem expedient, and in particular to customers and others having dealings with the Company, and to guarantee the performance or contract by any such persons or companies, provided that such lending shall not be for the purpose of Banking business.
- 35 To place, to reserve or to distribute as dividend or bonus or bonus shares among the members or otherwise to apply as the Company may from time to time think fit any moneys belonging to the Company including those received by way of premium on shares or debentures issued at a premium by the Company and any moneys received in respect of dividends accrued on forfeited shares and moneys arising from the re-issue by the Company of forfeited shares or from unclaimed dividends.
- 36 To distribute among the members in specie any property of the Company or any proceeds of sale, or disposal, of any property of the Company but so that no distribution amounting to reduction of capital shall be made except with the sanction (if any) for the time being required by law.
- 37 To create any depreciation fund, reserve fund, insurance fund, sinking fund, or any other special funds whether for depreciation or repairs, replacement, improvement, extension or maintenance of any of the property of the Company or for any other purpose conducive to the interests of the Company.
- 38 To contribute to the funds of any political party or parties or any other associations or to any individual, firm or body corporate which in the opinion of the Company is beneficial to the Company.
- 39 To subscribe or guarantee money for charitable or public objects or for any exhibition or for any public, general or useful object and to make donations to such persons and in such cases as the Company may think conducive to the attainment of any of its objects or otherwise expedient.
- 40 To dedicate, present or otherwise dispose of either voluntarily or for value any property of the Company deemed to be of national, public, or local interest to any national trust, public body, museum, corporation or any of the same or of the public.

- 41 To contribute to charitable and other funds whether directly or indirectly relating to the business of the Company or not or for the welfare of its employees.
- 42 To engage, employ, suspend and dismiss agents, managers, superintendents, assistants, clerks, coolies and other servants and labourers and to remunerate any such person at such rate as shall be thought fit.
- 43 To establish and maintain or procure the establishment and maintenance of any contributory or non-contributory provident and/or pension or superannuation funds for the benefit of, and give or procure the giving of donations, gratuities, pensions, allowances or gratuities to, any person or persons who are or were at any time in the employment or service of the Company, or of any Company which is a subsidiary of this Company or is allied to or associated with this Company, or with any such subsidiary Company, or who are or were at any time, Directors or Officers of the Company or of any such other Company as aforesaid, and the wives, widows, families and dependants of any such persons and also establish and subsidise and to any institutions, associations, clubs, or funds calculated by the Company to be for the benefit of or to advance the interest and well-being of the employees of the Company or of any such other Company as aforesaid, and make payments to, or towards the insurance of any such persons as aforesaid, and do with any such other Company as aforesaid.
- 44 To provide for welfare of employees or ex-employees of the Company and their wives and families and the wives and families of their dependents or connections by building or contributing to the building of houses or dwellings, or by grants-in-aids, pensions, allowances, bonus or other payments and by providing or subscribing or contributing towards buildings and maintenance of places of instruction and recreation, hospitals, and dispensaries, medical and other assistance as the Company may think fit.
- 45 To undertake and execute any trust which may be of benefit to the Company directly or indirectly.
- 46 To adopt such means for making known the products and business of the Company as may seem expedient and in particular by all kinds of advertising.
- 47 To do all or any of the above things either as principals, agents, contractors, trustees or otherwise and either alone or in conjunction with others and by or through agents, sub-contractors, trustees or otherwise.
- 48 To do all such other things as are incidental or as the Company may think conducive to the attainment of the above objects or any of them. PROVIDED that the Company shall not carry on any banking business as defined in Banking Companies Act, 1949.

- 49 The subject set forth in any sub-clause of this clause shall not, except where the context so requires, be in any way limited or restricted by reference to or inference from the terms of any other such sub-clause or the by name of the Company. None of such sub-clause or the objects therein specified or the powers there by conferred shall be deemed subsidiary or auxiliary merely to the subject mentioned in any other clause.

IV. The liability of the members is limited.

V. The shares capital of the Company is Rs. 1,50,00,000 (rupees one crore fifty lakhs) divided in to 15000 (fifteen thousand) EQUITY shares of Rs. 1,000 (rupees one thousand) each with the rights, privileges and conditions attaching there to as are provided 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 in to several classes and to attach there to respectively such preferential, deferred or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company for the time being and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be provided by the Act or provided by the Articles of Association of the Company for the time being. We, the several persons, whose names and addresses are subscribed below, 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.

THE COMPANY ACT,
1956.
(COMPANY LIMITED BY
SHARE.)

**ARTICLES OF ASSOCIATION OF THE BIHAR TEXT-BOOK
PUBLISHING CORPORATION LIMITED.
PRELIMINARY.**

In these Articles unless there be something in the subject matter or Definition. Context inconsistent there with :

'The Company' means the above named Company.

'The Act or said Act means the Companies Act (1 of 1956) or the Act or Acts for the being in force concerning joint stock companies and affecting the company.

'The Governor' means the Governor of the state of Bihar.

'Months' means a calendar month.

'The Director' means the Directors for the time being of the Company.

'Chairman' means the Chairman of the Board of Directors for the time being of the Company.

'The Office' means the Registered Office for the time being of the company.

'The Register means the register of members to be kept pursuant to be kept pursuant to section 150 of the Companies Act.

'Dividend includes bonus.

'Executor' or Administrator' means a person who has obtained Probate or Letters of Administration, as the case may be, from some competent court.

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

'Shares' means the shares or stock in to which the capital is divided and interest Corresponding with such shares or stock.

Board of Directors' or ' Board in relation to the Company means. the Board of Directors of the Company'.

'Persons' includes Corporations and firms, as well as individuals.

'Seal' means the common seal for the time being of the Company. 'Ordinary Resolution' and 'Special Resolution' have the meanings assigned there to respectively by section 189 of the Companies Act.

'Regulations of the Company' means the regulations for the time being in force for the management of the Company.

'Financial year' means the period in respect of which any profit and loss account of Company laid before it in annual general

meeting is made up, whether that period is a year or not but the period shall not exceed fifteen months.

'Bye laws' means the Bye-laws which may be made by the Directors of the Company under those Articles and which may for the time being in force.

'In writing and written include printing, lithography and other modes representing or reproducing words in a visible form.

a Words importing the singular number include the plural number and vice versa.

Words importing the masculine gender also include the feminine gender.

- 2 The Regulations contained in Table 'A' in the first Schedule to the Act shall not apply to the Company.
- 3 The regulations for the management of the Company and for the observance of the members thereof and their representatives shall subject to any exercise of the statutory power of the Company in reference to the repeal or alteration of or addition to its regulations by special resolution as prescribed or permitted by the Act, be such as are contained in these Articles.
- 4 4. (i)The Company is to be a private Company and accordingly:
 - (a) The number of members for the time being of the Company (exclusive of persons who are for the time being in the employment of the Company and persons who, having formerly been in the employment of the Company, were members of the Company while in that employment and have continued to be members after the employment ceased) is not to exceed fifty, but where two or more persons hold one or shares Company jointly, they shall for the purpose of this Article be treated as a single member.
 - (b) Any invitation to the public to subscribe for any shares in or stock or debentures of debenture stock of the Company is here by prohibited.
 - (e)The right to transfer shares of the Company is restricted by as herein after provided.
- (ii) The Company shall be a Government Company as defined ins section 617of the Acts so long the Government of Bihar together with any other State Government or Governments and the Central Government or any other Government Company hold (either in its own name or its nominee or nominees) fifty-one percent of its paid up share capital for the time being. PROVIDED always that sixty percent of the total subscribed share capital of the Company for the time being shall be held by the Government of Bihar or its nominee or nominees, and the balance may be subscribed or held by persons experienced in the field of business (which this Corporation is authorised to carry on) or such other person or persons to whom such shares may be allotted in terms of the provisions contained in that regard in these Articles.

- 5 The Authorised Share Capital of the Company is Rs.1,50,00,000(rupees one crore fifty lakhs) divided into 15,000 (fifteen thousand) Equity shares of Rs.1,000 each, with power to increase or reduce the capital.
- 6 Subject to such directions as may be issued from time to time by the Governor in this behalf and the provisions of the Memorandum of Association of the Company and, without prejudice to any special rights previously conferred or the holders of existing shares in the Company, new share in the Company may be issued with such preferred, or other special right or such restrictions, whether regard to dividend, voting rights of share capital, or otherwise, as the Company may, from time to time, by special resolution determine and any' preference share may with the sanction of a special resolution be issued on the terms that it is or at the option of the Company is liable to be redeemed.
- 7 If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of the Act and whether or not the Company is wound up, be varied with the consent in writing of the holders of not less than three-fourths of the issued shares of that class, or with the sanction of special resolution passed at a separate general meeting of the holders of the shares of that class To every such separate general meeting the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be two persons at least holding or representing by proxy one-third of the issued shares of the class in question.
- 8 The rights conferred upon the holders of the shares of Any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu there with.

COMMISSION AND BROKERAGE.

- 9 (1) The Company may exercise of the powers of paying commissions conferred by section 76, provided that the rate percent or the amount of the commission paid or agreed to be paid shall be disclosed of the manner required by that section.
- (2) The rate of the commission shall not exceed the rate of five percent of the price at which the shares in respect whereof the same is paid are issued or an amount equal to five percent of such price as the case
- (3) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

(4) Time Company may also, on any issue of shares, pay such brokerage as may be lawful.

ALLOTMENT OF SHARES.

- 10 Subject to the directions of the Governor in that behalf and subject to the provisions hereinafter contained, 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 and at such times as the Directors think fit and With full power to give to any person the call of any shares whether at par or at a premium or (subject to the provisions of the Act) at a discount and for such time and for such consideration as the Directors think fit.
- 11 Except as required by law, no person shall be recognised by the Company as holding any share upon any trust and the Company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except as absolute right to the entirety thereof in the registered holder.

SHARE CERTIFICATE.

- 12 (1) Every person whose name is entered as a member in the register of members shall be entitled to receive within three months after allotment and within two months on registration of transfer (or within such other period as the conditions of issue shall provide)—
- (a) one certificate for all his shares without payment, or
 - (b) several certificates, each for one or more of his shares, upon payment of one rupee for every certificate after the first.
- (2) Every certificate shall be issued under the seat of the Company, and shall be signed by at least two Directors and the Secretary or some other person appointed by the Directors in that behalf and shall specify the number and denoting numbers of the shares in respect of which it is issued and the amount paid thereon, subject to such rules and regulations as may be prescribed by the law from time to time.
- (3) In respect of any share or shares held jointly by several persons the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of the several joint holders shall be sufficient delivery to all such holders.
- 13 If a share certificate is defaced, lost or destroyed, it may be renewed on payment of such fee, if any, not exceeding fifty naye paise and on such terms, if any, as to evidence and identity and the payment of out of pocket expense incurred by the Company in investigating evidence as the Directors think fit.
- 14 Except to the extent allowed by the Act no part of the funds of the Company shall be employed in the purpose of, or in loans upon the security of, the Company's shares.

LIEN.

- 15 The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys (whether presently payable or not) called or payable at a fixed time in respect of that share, and the Company shall also have a lien on all shares (other than fully paid shares) standing registered in the name of a single person, for all moneys presently payable by him or his estate to the Company; but the Directors may declare any share to be wholly or in part exempt from the provisions of this Article. The Company's lien, if any, on a share shall extend to all dividends payable thereon.

- 16 The Company may sell in such manner as the Directors think fit, any share on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable, nor until the expiration of fourteen days after a notice in writing, stating and demanding payment of such part of the Amount in respect of which the lien exists as is presently payable has been given, to the registered holder for the time being of the share, or the person entitled by reason of his death or insolvency.
- 17 The proceeds of the sale shall be applied in payment of such part of the amount in respect of which the. lien exists as is presently payable, and the residue shall (subject to a like lien for sums not presently payable as existed upon the shares prior to the sale) be paid to the person entitled to the shares at the date of the sale. The purchaser shall be registered as the holder of the shares, and he shall not be bound to see to the application of the purchase money, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the sale

CALL ON SHARES.

- 18 The Directors may from time to time make such calls as they think fit upon the members in respect of any moneys unpaid on the shares held by them respectively and not by the conditions of allotment there of made payable at fixed times, and each members shall pay the amount of every call so made on him to the persons and at the times and places appointed by the Directors. A call may be made payable by instalments.
- (1) Each member shall be given at least fourteen days' notice specifying the time or times and place of payment.
- (2) A call may be revoked or postponed at the discretion of the Director.
- (3) A call shall be deemed to have been made at the time when the resolution of the Directors authorising the call was passed.
- 19 The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
- 20 If a sum called in respect of a share is not paid before or on the day appointed for payment there of, the person from whom the sum is due shall pay interest upon the sum at the rate of five percent per annum or at such lower rate, if any, as the Directors may determine from the day appointed for the payment there

of to the time of the actual payment, but the Directors shall have liberty to waive payment of that interest wholly or in part.

- 21 The provisions of these regulations as to payment of interest shall apply in the case of non-payment of any sum which, by the terms of issue of a share becomes payable at a fixed time, whether on account of the amount of the share or by way of premium as if the same had become payable by virtue of a call duly made and notified.
- 22 The Directors may, if they think fit, receive from any member willing to advance the same all or any part of the moneys uncalled and unpaid upon any shares held by him ; and upon all or any of the moneys so advanced may (until the same would, but for such advance, become presently payable) pay interest at such rate (not exceeding, without the sanction of the Company in general meeting, six percent per annum) as may be agreed upon between the members paying the, sum in advance and the Directors.

FORFEITURE OF SHARES.

- 23 If a member fails to pay any call or instalment of a call on the day appointed for payment thereof, the Directors may, at any time there after during such time as any part of such call or instalment unpaid, serve notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.
- 24 The notice shall name a further day (not earlier than the expiration of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made and shall state that, in the event of non-payment at or before the appointed, the shares in respect of which the call was made will be liable to be forfeited.
- 25 If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the 'notice has been given may at any time, thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Directors to that effect.
- 26 A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Directors think fit; and at any time before sale or disposition, the forfeiture may be cancelled on such terms as the Directors think fit.
- 27 A person whose shares have been forfeited shall cease to be member in respect of the forfeited shares, but shall notwithstanding the forfeiture, remain liable to pay to the Company all moneys which at the date of forfeiture were presently payable by him to the Company in respect of the shares, but his liability shall cease if and when the Company receives payment in full of all such moneys in respect of the shares.

- 28 A duly verified declaration in writing that the declarant is a Director, the Manager or the Secretary of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts there in stated as against all persons claiming to be entitled to the share, and that declaration, and the receipt of the Company for the consideration, if any, given for the share on the sale or disposal thereof, shall constitute a good title to the share, and the person to whom the share is sold or disposed of shall be registered as the holder of the share and shall not be bound to see to the application of the purchase money (if any), nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
- 29 The provisions of these Regulations as to forfeiture shall apply in the case of non-payment of any such sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the amount of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

TRANSFER AND TRANSMISSION OF SHARES

- 30 (1) The instrument of transfer of any share in the Company shall be executed by or on behalf of both transfer or and transferee.
 (2) The transfer or shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
- 31 Share in the Company shall be transferred in the following form or in any usual or common form which the Board shall approve:
 "I, A.B. of..... in consideration of the sum of Rupees..... ..
 hereinafter called 'that transferee, do hereby transfer to the transferee the share (or shares) numbered..... to.....
 inclusive in the undertaking called the.....
 Limited to hold unto the said transferee, his executors, administrators and assigns subject to the several conditions on which I held the same at the time of the execution thereof, and I, the said transferee do hereby agree to take the said share (or shares) subject to the conditions aforesaid.
 As witness our hands this day of.
,
 Witness to the signature of etc."

- 32 (A) The right of members to transfer their shares shall be restricted as follows—
A share may be transferred by a member or other person entitled to transfer to a person approved by the Governor.
- (B) Subject to section III of the Act and subject as aforesaid, the Directors may in their absolute and controlled discretion, refuse to register any proposed transfer of shares.
- 33 The Directors may also decline to recognise any instrument of transfer unless—
- (a) a fee of two rupees is paid to the Company in respect thereof;
- (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates and such other evidence as the Board may reasonably require to show the right of the transfer or to make the transfer; and,
- (c) the instrument of transfer is in respect of only one class of shares.
- If the Directors refuse to register a transfer of any shares, they shall within two months, after the date on which the transfer was lodged with the Company, send to the transferee and the transferee or notice of the refusal.
- 34 The registration of transfer maybe suspended at such times and for such periods as the Directors may from time to time determine:
PROVIDED that such registration shall not be suspended for more than forty-five days in any year and not exceeding 30 days at a time after giving proper notice.
- 35 The Company shall be entitled to charge a fee not exceeding two rupees on the registration of every probate, letters of administration, certificate of death or marriage, power of attorney, or other instrument.
- 36 (1) On the death of a member of the survivor or survivors where the member was a joint holder, and his legal representatives where he was a sole holder, shall be the only person recognised by the Company as having any title to his interest in the shares.
- (2) Nothing in clause(1) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

- 37 (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Directors and subject as hereinafter provided, elect, either—
- (a) to be registered himself as holder of the share; or
 - (b) to make such transfer of the share as the deceased or insolvent member could have made.
- (2) The Directors, in either case, have the same right to decline or suspend registration as it would have had if the deceased or insolvent member had transferred the share before his death or insolvency.
- 38 (1) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.
- (2) If the person aforesaid shall elect to transfer the share, he shall, signify his election by executing a transfer of the same.
- (3) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfer of shares shall be applicable to any such notice or transfer as aforesaid as if death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.
- 39 A person becoming entitled to a share by reason of death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if were the registered holder of the share except that he shall not before holding registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company :
- PROVIDED that the Directors may, at any time, give notice requiring any such persons to either to be registered himself or to transfer the share and if the notice is not complied with within ninety days the Directors payable in respect of the share, until the requirements of the notice have been complied with .

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

(a) The Governor may at any time serve the Company with a requisition to enforce the transfer of any such share.

b) The Company shall thereupon forthwith give to the holder of such share, or where the holder has become of unsound mind, to his committee or other guardian, or where the holder has become or been adjudicated an insolvent, to the assignee of his estates and effects, or where the holder is dead, to his heirs or legal representatives, or where the holder, being a Company, has been wound up as aforesaid, to its liquidator notice in writing of the requisition and unless within 14 days afterwards, the holder, as the case may be, the committee or guardian or assignee or heirs or legal representatives of such holder, shall execute in favour of the Governor or of any person or persons nominated by the Governor, a proper transfer form in respect of such share and hand over the same along with the relative certificate in respect of such share to the Governor or any other person or persons nominated by him, the Governor or such other persons may be nominated by him in that behalf may at any time thereafter execute a transfer in respect of such share for and on behalf of such holder or of his estate and the same shall be deemed to have been duly and properly executed for and on behalf of such holder or such holder of his estate, and thereupon the holder or his estate shall cease to have any interest whatsoever in such share and the certificate of such share, if not handed over as aforesaid, shall thereupon stand cancelled and be and become void and of no effect, and the Company shall be entitled thereafter to issue a new certificate in list thereof in favour of the Governor or such person or persons as he may nominate.

INCREASE, REDUCTIONS AND ALTERATION OF CAPITAL

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

42 Subject to such directions as may be issued by the Governor in this behalf, new shares shall be issued upon such terms and conditions and with such rights and

privileges annexed thereto as the general meeting resolving upon the creation thereof shall direct, and if no direction be given as the Directors shall determine.

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

44 Subject to the approval of the Governor, the Company may, by ordinary resolution-

(a) consolidated and divide all or any of its share capital into share of larger amount than its existing shares ;

(b) sub-divide its existing shares or any of them into shares of smaller amount ,than is fixed by the Memorandum of Association subject, nevertheless to the provisions of the Act;

(c) cancel any share which ,at the date of passing of the resolution have not been taken or agreed to be taken by any person.

45 Subject to the provisions of sections 100 to 104 of the Act and to such directions as may be issued by the Government in the behalf ,the Company may ,from time to time ,by special resolution, reduce its share capital in any manner and with ,and subject to ,any incident authorised and consent required by law.

BORROWING POWERS.

46 Subject to the approval of the Governor ,the Directors may from time to time ,and in accordance with the provisions of the Companies Act 1956,raise or borrow or secure the payment of any sum or sums of money for the purpose of the Company by means of a resolution passed at a meeting of the Board .

47 Subject to the approval of the Governor ,the Directors may ,by a resolution passed at a meeting of the Board raise or secure the payment or repayment of such sum or sums in such manner and upon such terms and conditions in all respects as they think fit and in particular by the issue of bonds ,debentures or debentures-stock or any mortgage ,charge or other security on the undertaking of the whole or any part of the property of the company (both present and future) including its uncalled capital for the time being .

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

- 49 Subject to the approval of the Government and provisions of sections 76 and 117 of the Act, any debentures, debentures-stock bonds or other securities may be issued at a discount, premium or otherwise and with any special privilege as to redemption, surrender, drawings, allotment of shares, attending general meetings of the Company, appointment of Directors and otherwise.

GENERAL MEETING.

- 50 The Company shall in each year hold, in addition to any other meetings, a general meetings as its annual general meetings and not more than fifteen months shall elapse between the date of one annual general meeting and that of the next. The first annual general meeting of the Company will be held within eighteen months from the date of its incorporation but not later than nine months After the expiry of the financial year of the Company and thereafter, subject to the provisions of section 166 of the act as amended, the annual general meeting of the Company shall be held within six months after the expiry of each financial year of the Company. It shall be held during the 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 place within the city, town or village where the registered office is situated The notice calling the general meeting shall specify it as annual general meeting The other general m3elings which may be called at such time and place as may be determined by the Directors shall be called extraordinary general meetings.

- 51 The Directors may, whenever they think it, and they shall on When the requisition of the holders of not less than one-tenth of the paid up-capital as at that date which carries the light of voting of the Company upon which all calls or other sums then due have been paid, forthwith proceed to convene an extraordinary general meeting of the Company and in the case of such, extraordinary meeting called. requisition the following provision shall have effect :-
- 1) The requisition must state the objects of the meeting and must be signed by the requisitionists and deposited at the office and may consist of several documents, in like form each signed by One or more requisitionists.
 - (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 of the requisitions, 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) 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 of the requisitions, 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 meeting are to be convened by the Directors. If, after a requisition has been received, it is not possible for a sufficient number of Directors to meet in time so as to form a quorum, any Director may convene an extraordinary general meeting in the same manner as nearly as possible as that in which meetings may be convened by the Directors.

PBOCEEDINGS AT GENERAL MEETING.

- 52 Subject to the provisions of section 180 of the Act relating to special resolutions, twenty-one days notice at the least (exclusive of the day on which the notice is served or deemed to be served, but inclusive of the day for which notice is given) specifying the place, the day and the hour of meeting and, in case of special business, the general nature of that business shall be given in manner hereinafter mentioned, or in such other manner, if any, as may be prescribed by the Company in general meeting to such persons as are, under the Act or the regulations of the Company, entitled to receive such notice from the Company, but the accidental omission to give notice to or the nonreceipt of notice by any member shall not invalidate the proceedings at any general meeting. With the

convent in writing of the members as provided in section 171 of the Act a meeting may be convened by a shorter notice than as aforesaid.

- 53 All business shall be deemed special that at an extra ordinary general meeting, and all that is transacted is transacted at any annual general meeting with the exception of sanctioning a dividend, the consideration of the accounts, balance sheets and the report of the Directors and Auditors, the appointment of and the fixing of the remuneration of the and in cases of special business, the provisions of section 173 of the Act shall apply.
- 54 No business shall be transacted at y general meeting unless a quorum of members is present at the tint: when the meeting proceeds to business ; save as herein otherwise provided, two members present in person or by duly authorised representative as provided in section 187A of the Act shall be a quorum.
- 55 If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if called upon the requisition of members, shall be dissolved : but in any other case, it shall stand adjourned to the same day in the next week at the same time and place or to such other day and to such other time and place as the Directors may determine, and if, at the adjourned meeting a quorum is not present within half an hour from the time appointed for the m:eting, the members present shall be a quorum.
- 56 The Chairman if any, of the Board of Director shall preside as Chairman at every general meeting of the Company.
- 57 If there is not such Chairman, or if at any meting he is not present within fifteen minutes after the time appointed for holding the meeting. or is unwilling to act as Chairman, the Vice-Chairman, if any, shall preside at the meeting. If there is no Vice-Chairman or. if at any meeting he is not present within the time, as aforesaid, or is unwilling to act as Chairman. then the members present shall choose some one of their number to be Chairman of the meeting.
- 58 The Chairman may, with the consent of any meeting a1 which a quorum Meeting is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for one month or more, notice of adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid, it shall not be necessary to give any notice of an ad journment of the business to be transacted at an adjourned meeting.

- 59 At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless a poll is (before or on the declaration of the result of the show of hands) demanded in accordance with the provisions of the Act, and unless a poll is so demanded, a declaration by the Chairman that a resolution has, on a show of hands, been carried or carried unanimously, or by a particular majority, or lost and an entry to that effect in the books of the proceedings of the Company shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against, that resolution
- 60 Subject to the provisions of section 170 of the Act if a poll is duly demanded, it shall be taken in such manner as the Chairman directs and the result of the poll shall be deemed to be resolution of the meeting at which the poll was demanded.
- 61 In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hand, takes place, or at which they poll is demanded, shall be entitled to a second or casting vote.
- 62 Subject to the provisions of section 180 of the Act, a poll demanded on the election of a Chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time as the Chairman of the meeting directs.

VOTE OF MEMBERS

- 63 Subject to any rights or restrictions for the time being attached to any class or classes or shares, on a show of hands every member present in person shall have one vote. On a poll every member shall have one vote in respect of each share held by him. provided, however, that so far as the Governor is concerned, a vote may be given on his behalf on a show of hands or on a poll by any person, whether a member or not, authorised by him to be present and vote at all or any of the meetings of the Company. The Governor may at anytime revoke or cancel the authority of any person to vote on his behalf as aforesaid and make fresh authorisations. An order to the Governor authenticated as provided by the Constitution of India in respect of any such authorisations revocation thereof as aforesaid shall be sufficient and conclusive evidence thereof.
- 64 Any person authorised by the Governor to vote on his behalf as aforesaid may, if so authorised by any order of the Governor as aforesaid, appoint any other person (whether a member or not), as a proxy or substituted authority, whether special or general, to vote on behalf of the Governor as aforesaid and such proxy or substituted authority shall be entitled also to vote on a show of hands or on a poll.

65 In the case of joint holders, the vote of the senior who tenders of vote, whether in person or by proxy, shall be accepted to the exclusion Joint holders. the votes of the other joint holders, and for this purpose, seniority shall be determined by the order in which the names stand in the register of members

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

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

68 On a poll, votes may be given either personally or by proxy; Proxy on polis provided that no Company shall vote by proxy as long as a resolution of its Directors authorising any person to act as its at any meeting of the Company passed in accordance with the representative of provisions of the Act is in force. Directors authorising any person to act as its at any meeting of the Company passed in accordance with the representative of provisions of the Act is in force.

69 Subject as aforesaid, the instrument appointing a proxy shall be Proxy. in writing under the hand of the appointer or his attorney duly authorised in writing or, if the appointer is a corporation, either under the common seal, or under the hand of an officer or attorney so authorised. Any person shall act as a proxy whether he is a member of the Company or not.

70 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 resistend office of the Company not less than forty-eight hours before the time for holding the meeting at which the person named in the instrument proposes to vote or in the case of a poll not less than 24 hours before the time appointed for taking of the poll, and in default the instrument of proxy shall not be treated as valid.

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

:-

I -----of-----in the district of ----- ----being a member of -
----- -hereby appoint ----- of----- in the district of failing him ----
-----of----- the district of ----- as my proxy to vote for me
and on my behalf at the annual general meeting/general meeting (not being
annual general meeting) of the Company to be held on the-----day
of-----and at any adjournment thereof. Signed this -----
-----day of-----

BOARD OF DIRECTORS.

- 72 (a) Subject to the provisions of section 252 of the Act, the Governor shall, determine in writing from time to time, the number of Directors which shall not be less than three and more than fifteen. (b) As and when the Governor shall so determine, such of the institutions, bodies, authorities, whether corporate or established by any law or otherwise, whom The Governor shall direct, authorise or otherwise empower, shall be entitled to nominate one Director each on the Board of the Company and to remove or replace them from time to time. Such Directors shall hold their respective offices as Director or the Company for such period as they are nominated for or until removed or replaced as aforesaid subject never the less to the provisions of disqualification, or other wise removal, cessation or vacation of their respective offices as contained in clause 84 and others as in these presents or as under the provisions of the Companies Act.
- (c) In addition to the Directors as in the foregoing sub-clause {b}hereof, the Governor shall appoint such number of Directors and for such period as he may determine from time to time ; provided, however, that the total number of Directors in office for the time being shall not exceed the maximum limit as laid down in sub-clause(a) hereof. The Governor shall be entitled from time to time to remove any Director from the office and in the event of such removal or in event of any vacancy in the office of the Directors caused by resignation, death or otherwise, the Governor shall be entitled to appoint another in the vacancy.
- (d) Until the Directors are appointed in the manner as laid down sub-clauses(b) and (c) hereof, the subscribers to the Memorandum shall be the First Directors of the Company.
- (e) In place of a Director who is out of India or is about to go out of India or Who expects to be absent for not less than three months from the State in which meetings of the Directors are ordinarily held, the Board may, subject to section 313 of the Act, appoint with the prior approval of the Governor any person to be an Alternate Director during his absence out of India or his absence of not less than three months from the State in which the meetings of the Directors are ordinarily held, and such appointment shall have effect and such appointee whilst he holds office as an Alternate Director shall be entitled to notice of meeting of the Director sand to attend and to vote thereat accordingly, and be shall ipso facto encode office if and when the original Director returns to India or the State in which the meeting of the Directors are ordinarily held or on the expiry of the period of office of the original Director.

- 73 The Directors including the Chairman, the Vice-Chairman or men, the Managing Executive or other whole-time Director or Directors shall hold the respective offices for such period as they are appointed or for or until they are removed or replaced or otherwise cease to hold the office in the manner as provided in these presents ; and they shall not be liable to retirement by rotation.
- 74 The Directors shall not be required to hold any qualification shares.
- 75 The remuneration of the Directors shall from time to time be determined by the Governor. Subject to the provisions of section 314 of the Act, such reasonable additional remuneration as may be fixed by the Governor may be paid to any one or more of the Directors for extra or special services rendered by him or them or otherwise.

POWERS AND DUTIES OF DIRECTORS AND MANAGEMENT.

- 76 Subject to the provisions of the Act and the directives or instructions, if any, as the Governor may issue from time to time as contained in Article 95, the business of the Company shall be managed by the Directors, who may pay all expenses incurred in getting up and registering the Company, and may exercise all such powers of the Company as are not, by the Act, or any statutory modification thereof for the time being in force, or by these Articles, required to be exercised by the Company in general meetings, subject never the less to any regulation of these Articles, to the provision of the said Act, and to such regulations, being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Company in general meeting; but not 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.
- 77 The Directors may, as and when they think fit, make any by laws not inconsistent with the objects of the Company as set out in the Memorandum of Association nor with these Articles for the conduct and regulation of the business of the Company and its Directors and its officers and servants and may in like manner, vary and repeal any such bye-laws

- 78 The Governor shall appoint, from amongst the members, of the Board for the time being -
- (i) a Chairman of the Board.
 - (ii) one or more Vice-Chairman of the Board, and
 - (iii) one or more Managing, Executive or other whole-time Director or Directors.

as he may determine from time to time, for such period and upon and subject to such terms and conditions and upon such remuneration (subject to provisions of section 314 of the Act) as he thinks fit, and may from time to time remove, dismiss or replace him or them from office and appoint another or others in his or their place or places. Any such Director appointed to any such office shall if he cease to hold the office of Director from Vice cause shall ipso facto and immediately cease to be such Chairman, Vice-, Managing, Executive or other whole-time Director.

- 79 (a) The Governor may from time to time, entrust to and confer upon the Chairman, vice-Chairman and for the Managing or Executive or other whole-time Director or Directors 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 to be exercised for such subjects and purposes and upon such terms and conditions and with such restrictions as he may think expedient, and he may confer such powers either collatorally 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.

(b) The Governor may appoint General Managers, or a Financial Adviser and Chief Accounts Officer or any other officer or officers of the Company for such terms and at such remuneration as he may think fit and may from time to time remove them from office and appoint others in their place. The Directors may from time to time entrust to and confer upon a General Manager or Financial Adviser and Chief Accounts Officer or other officers for the time being such of the powers of the Directors as they may think fit and may confer such powers for such time and to be for such objects and purposes, for such terms and conditions and with such restrictions as they may think expedient, and from time to time revoke, withdraw, alter or vary all or any of such powers.

- 80 Subject to the approval of the governor and the provisions of section 202 to 297 of the Act ,the Directors may from time to time entrust to and confer upon the delegate to the Chairman, Vice- Chairman, Managing Executive or other whole-time Director or Directors for the time being such form of the powers exercise able under these Articles as the may thing fit.
- 81 The Directors shall duly comply and cause to be compiled with the provisions of the Act or any statutory modification thereof for the time being in force, and in particular with the provisions in regard to the maintenance of Statutory Registers and Books of Account, and holding of General Meetings and submission and filing of Returns and Accounts.
- 82 The Director shall cause minutes to be made in books provided for the purpose required under section 193 of the Act.
- 83 (1) the director shall provide a common seal for the purpose of the company and shall have power from time to time to destroy the same and substitute a new scene in leave you there of and the director shall provide for the safe custody of the sale for the time being that seals and never be used except by the of directors authority of the directors or a committee previously given and save as a hereinafter provided, except in the presence of two directors at the earliest and of the secretary or some other person appointed for the purpose purpose by the board
- (2) Every deed or other instrument, to which the seal of the company is to be a fixed seal sealed in the presence of two directors and secretary or other person appointed as the aforesaid who shall signed the same

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- (1) the office of the director shall be vacated. If -
- (a) he is found to be of unsound mind by account of competent jurisdiction ; or
 - (b) he applies to be adjudicated insolvent; or
 - (c). He is adjudged insolvent; or
 - (d) he or any firm in which he is a partner, or any private company, of which he is a director fails to pay calls, made on him in respect of shares, held by him, the firm, or the private company as the case maybe within six months from the date of such call being made; or
 - (e) he or any form in which he is a partner or any private company of which he is a director without the sanction of the company in general meeting, accepts or hold any office of profit under the company other than that of a managing director or manager or a legal or technical advisor or a banker in contravention of section 314 of the Act;
 - or
 - (f) he absents himself from three consecutive meetings of the directors, or from all meeting of the directors, for a continuous period of three months, in which ever is the long run, without leave or absence from the board of directors; or
 - (g) he accepts a loan or any guarantee or security for a loan from the company in contravention of section 295 of the act;
 - or
 - (h) He is concerned or participate in the profit of any contract with the company; provided, however, no director shall vacate his office, by reason of his becoming a member of any company, which has entered into contact with or done any work for the company of which he is a director, but a director shall not vote in respect of any such contract or work, and if he does so his vote shall not be counted;
 - (i) he fails to disclose the nature of his concern or interest in any contract or arrangement or, proposed contract or arrangement, arrangement entered into or to be entered into by or on behalf of the company as required under section 299 of the Act.
 - (j) he becomes disqualified by an order of court under section 203 of the act;
 - (K) he is removed in pursuance of section 284 of the act or is removed by the governor.
- (2) the disqualification are referred to in sub-clauses, (C) and (J) above shall not take effect -
- (i) for 30 days from the date of, and adjudication, sentence or order;
 - (ii) where any appeal or petition is it preferred, within the 30 days aforesaid against the adjudication, sentence or conviction, resulting in the sentence or

order, until the expiry or seven days from the date on which such appeal or petition is disposed of; or (iii) where within the seven days aforesaid, any further appeal or petition is preferred in respect of the edit, adjudication, sentence, conviction or order and the appeal or petition, if allowed would result in the removal of the disqualification and until such further appeal or petition is disposed of.

- 85 The director said at least once in every three calendar months meet for the dispatch of business, air, Jordan, and otherwise regulate their meetings as they think fit. Questions arising at any meeting shall be decided by a majority of votes. In case of an equality of votes and the chairman shall have a second or casting vote. A Director may and the Secretary , on the requisition of a director shall, at any time summon a meeting of directors.
- 86 Save as otherwise, it expressly provided in the act, a resolution in writing, signed by all the directors or all the members of the committee of directors for the time being in India shall be as valid and the effectual as if it had been passed at a meeting of the directors or committee of directors Dolly called and constitute provided that such a resolution shall be signed by at least two officers of the government of Bihar, who may for the time being directors of the company.
- 87 The quorum necessary for the transaction of the business of the director shall be one³ of the total strength or two directors which ever is higher as provided in section 287 of the Act, provided that such quorum shall not be deemed to be complete unless two directors nominated by the governor of Bihar are present as directors.
- 88 The continuing directors me at not with standing any vacancy in their body, but if and so long, as their number is reduced below, the number fixed by, or pursuant to these articles, as the necessary quorum of directors, that continuing directors may active for the purpose of summoning a general meeting of the company, but for no other purpose.
- 89 The chairman of the board, if any, shall preside at the board meeting. If and rest, no, such chairman is appointed, or if at any meeting with the chairman is not present within 10 minutes, after the time appointed for holding the same, the vice chairman shall preside at any such meeting; and it will no vice-chairman is also appointed, or if at any meeting Dubai chairman, we also not present within 10 minutes. After the time appointed for holding the same, the directors present may choose one of their member to be chairman of the meeting .

- 90 Subject to the provisions of sector 292 and 297 of the act, the directors may delegate any of their power is not a reserved or otherwise it exercisable as provided in presents to committees consisting of such member or members of their body as they fit; any committee so formed shall, in the exercise of the power so very gated, conformer to any regulations that may be imposed on them by the directors. The proceedings of such a committee shall be placed before the board of directors at its next meeting.
- 91 A committee may elect a chairman of its meeting, and if no such chairman is elected or if at any 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 member to be chairman of the meeting.
- 92 A committee may meet and Adjourn as it may think proper. Questions are arising at any meeting shall be determined by a majority of votes of the members present and in case of an equality of votes, the chairman shall have a second or casting vote.
- 93 All acts done by any meetings of the directors or of a committee of directors, or by any person acting as a director shall not with standing that it maybe after Watson discovered that there was some difference in the appointment of any such directors or person acting as a force it, or that they of any of them, we are disqualified be as valid as if such directors or such person had been duly appointed and was qualified to be a director.

- 94 (a) the annual budget of the corporation shall be approved by the governor.
- (b) the chairman for the decision of the governor, proposals or decision of the directors in any matter, which, in the opinion of any director of such importance has to be reserved for the approval of the Governor. No action shall be taken by the company in respect of any proposal decision of the directors is reserved for the approval of the Governor as aforesaid until the approval to the same has been obtained.
- (c) without prejudice to the generality of the above provisions, the directors are reserved for the decision of the Governor-
- (i) any program of capital expenditure exceeding Rs. 100,000.
- (ii) creation of and appointment to all post whose maximum salary is it really are 800;
- (iii) Rules of the company governing conditions, office, service of the employees, Provident fund, and other rules and creation of reserve and a special fund;
- (iv) increasing or reducing the issued capital of the company;
- (v) granting by the company of a loan or the giving of a guarantee or any other financial assistance to anyone particular concern.
- (d) without prejudice to the general powers, conferred by the articles hereinbefore, and hereinafter, it is here by expressly declared that the directors salary is subject to the provisions of these articles and of the companies act have the following powers that is to say powers -
- (i) to pay costs, charges and expenses, preliminary and incidental to the promotion formation, establishment and registration of the company;

- (ii) to purchase or otherwise acquire for the company, any property, rights, or privileges, which the company is authorised to acquire at such price, and generally on such terms and conditions, as they think fit;
- (iii) at their discretion, to pay for any property, rights or three privileges acquired by or services rendered to the company, either wholly or partially in cash, or in shares and bonds, debentures or other securities, the company and any such shares may be issued, either as fully paid up, or with such amount credited as a paid up thereon, as may be agreed upon; and any such amounts and debentures or other securities, maybe either is specifically charged upon all or any part of the property of the company and its and called capital, or not so charged;
- (iv) to secure fulfilment of any contacts or agreements, 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 other manner as they may think fit;
- (v) to appoint and at their Discretion to remove or suspend, such managers, secretaries, officers, clerks, agents and servants for permanent or temporary or special services and they may from time to time think of it and to determine their powers and duties and fix their salaries or emoluments, and do require security in such instances and for such amount as they think it;
- (vi) to accept from any member on such terms and conditions, and shall be agreed, surrender of his shares of stock or any part thereof;
- (vii) to appoint any person or persons whether incorporated or not to accept and hold in trust for the company and property belonging to the company, or in which it is interested, or any other purposes, and to execute, and to do all such deeds and things, as may be requisite in relation to any such trust, and to provide for the remuneration of such trustee or trustees;

- (viii) to institute, conducted, defend, compound or abandon any legal proceedings by or against the company, or its officers, or other wise concerning the officers of the company and also to compound and allowed time for payment or satisfaction, or any debt due, and of any claims or demands by or against the company;
- (ix) to refer any claims or demands by or against the company to arbitration, and observe and perform the award;
- (x) to make, and give receipt, release and other discharges for money payable to the company and for the plans and the month of the company.
- (xi) to determine, who shall be entitled to signed on the companies, behalf, bills, notes, receipts, acceptance, endorsements, cheques, releases, contracts, and other documents;
- (xii) from time to time to provide for the management of the affairs of the company or board in such manner, as they deem fit, and in particular, to appoint any person to be the attorneys or absence of the company, which such powers, including powers to sub delegate, and upon such terms, as may be thought fit;
- (xiii) to invest and deal with any of the money of the company, not immediately required for the purpose thereof upon such securities, it not being shares in this company in such manner as they may think fit, and from time to time to vary or realising such investments,
- (xiv) to execute in the name and on behalf of the company in favour of any director or other person who may incur or be about to incur any personal liability for the benefit of the company. Such a mortgage is of the company's property present and future as they think fit and any such mortgage may contain a power of sale and such other powers, convenients and provisions, and shall be agreed upon;
- (xv) from time to time to make a very and repeal bye laws, or the regulations of the business of the company, its officers and servants;
- (xvi) to enter into all such negotiations and contract and rescind and vary all such contracts and execute and do all such acts, deeds and things in the name and on behalf of the company as they may consider expedient for or in relation to any of the matters aforesaid or otherwise for the purpose of the company

- 95 Notwithstanding anything contained in any of these articles, the Governor may from time to time issue, such directives or instructions, as he may think fit in regard to the finances, and the conduct of the business and affairs of the company or directors, are there of, and in like manner, very and annual, any such directives and instructions and the directors in Delhi comply with and give immediate effect to such directives or instructions.

RESERVES AND DIVIDENDS.

- 96 Subject to such directions as may, from time to time, be issued by the Governor in this behalf, the Directors as may, before recommending any dividend, set aside out of the profits of the Company such sums as they think proper as a reserve fund, to meet contingencies or for equalising dividends, or for special dividends, for or repairing, improving and maintaining any of the property of the Company, and for such other purposes as the Directors shall their absolute discretion think conducive' to the interests of time Company, and may invest the several sums so set aside upon such investments (other than shares of the Company) as they may think fit and from time to time, deal with and vary such investments and dispose of all or any part thereof for the benefit of the Company; and may divide there serves funds into such special funds as they think fit and employ the reserve funds or any part thereof in the business of the Company, and that without 'being bound to heep the same separate from the other assets.
- 97 The profit of the company available for payment rights created or thrice to be created by the spends subject to the provisions of this act as to the reserve fund shall, divisible Manja members proportion to the amount of capital and by them respectively. Provided always that subject as aforesaid any capital per phone is she during the period in respect of which a dividend clear to sell only entitled the holder of such share to an app apportionment amount of such dividend as from the date of payment
- 98 Where capital is paid up on any shares in advance calls upon the footing, that the same shall carry interest, such capital shall not, while carrying interest, confer a right to participate in profits.
- 99 Company in general meeting may declare a dividend to be paid to the members according to their rights and interest in the profits and may fix the time for payment but not a brain cell exceed the amount recommended by the Directors.

- 100 No dividend shall be declared or paid by the company for any financial year except out of profits of the company for that years arrived at after providing for the depreciation in accordance with the provisions of subsection (2) of section 205 or out of profits of the company for any previous financial year or years right at the age after providing for the depreciation in accordance with these provisions and meaning and distributed or out of booth or out of money, provided the government for the payment or dividend in pursuance of any guarantee given by the government.
- 101 The declaration of the Directors, as to the Mount of the net, profits of the company shall be conclusive.
- 102 The directors me, from time to time, paid to the members, such in dumb dividends, as in that judgement, the position of the company justifies.
- 103 The directors marriage, and any individuals on which the company has a lien, and may apply the same in or towards satisfaction of the tips. Liabilities or engagements in respect of which the lien exists.
- 104 Any general meeting declaring dividend may make a call on the members of such amount as the meeting fix, but the call on each member shall not exceed the dividends payable to him, and the call shall be made payable at the same times as the dividend, and the dividend, if so arranged between the company and the members, be set off against the call. The making of a call under this clause shall be deemed ordinary business of an annual general meeting, which dividend.
- 105 Subject to the provisions of section 205 of the Act as amended and no dividend shall be payable except in cash.
- 106 Transfer of shares shall not pass the right to any dividend declared thereon after such transfer and registration of the transfer.
- 107 The directors may retain the dividend payable upon shares in respect of which any person is under the transmission clause of this article is entitled to become a member, or which any person under that clause is entitled to transfer, until such person shall become member in respect of such shares or shall duly transfer the same.
- 108 Any one of the several persons, who are registered as a joint holder of any shares, may give a factual receipt for all dividends and payments on account of dividends in respect of such shares.

- 109 Unless otherwise directed, any dividend may be paid by cheque or warrant sent through the post to the registered address of the member or person title or in case of joint holder, to the registered address of that one whose name is stands first on the register of the joint holding and every cheque or warrant so sent shall be made payable to the order of the person to whom it is sent.
- 110 Notice to of the declaration of any dividend, whether done or otherwise, shall be given to the holders of registered share in the manner hereinafter provided.
- 111 All dividends and claim for one year, after having been declared, may be invested or otherwise, made use of the use of by the directors, for the benefits of the company, until claim, and all dividends and claim for three years after having having been declared, maybe forfeited by the directors for the benefits of the company and if the directors thing fit, they may be applied in the oral augmentation of the reserve funds.

ACCOUNTS.

- 112 The Company shall in all respects comply with section 209'of the Act and cause to be kept and maintain proper books of accounts with respect to—
- (a)all sums of money received and expended by the Company 'and the matters in respect of which the receipt and expenditure takes place;
 - (b) all sales and purchases of goods by Company;
 - (c) the assets and liabilities of the Company.
- 113 The books of account shall be kept at the registered office of the Company or at such other place in India as the Directors shall think fit and shall be open to inspection by the Directors during business hours.
- 114 The Directors shall, from time to time determine whether and to what extent and at what times and places and under what conditions or regulations 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 books or document of the Company except as conferred by law or otherwise by the Directors or by the Company in general meeting or as directed by the Governor.

- 115 After the close of every financial year of the Company the Board shall lay before the Company at its annual general meeting a balance sheet as at the end of respective financial year and a profit and loss account for that financial year in the case of the first financial period within nine months of its expiry and there after within six months after the expiry of each financial year, subject to the provisions of section 210 of the Act.
- 116 The Directors shall as per section 217 of the Act make out and attach to every balance sheet a report with respect to the state of the Company's affairs the amount if any which they recommend should be paid by way of dividend and the amount if any, which they propose to carry to the reserve fund, general reserve or reserve account shown specifically on the balance sheet or to a reserve fund, general reserve or reserve account shown specifically carry to reserve in a subsequent balance sheet. The report shall be signed by the Chairman of the Directors on behalf of the Directors of authorised in that behalf by the Directors and when he is not so authorised, shall be signed by such number of Directors as are required to sign the balance sheet and the profit and loss account by virtue of sub-section (1) and (2) of section 217 of the Act
- 117 The profit and loss account drawn subject to the provision, as laid down in section 211 of the Act and Schedule VI referred to therein shall show, arranged under the most convenient heads, the amount of gross income distinguishing the several sources from which it has been derived, and amount of gross expenditure distinguishing the expenses of the establishment salaries and other like matters Every item of expenditure fairly chargeable against the year's income shall be brought into account so that a just balance of profit and loss may be laid before the meeting, and in cases where any item of expenditure which may in fairness be distributed over several years has been incurred in any one year, the whole amount of such item shall be stated with the addition of the reasons why only a portion of such expenditure is charged against the income of the year and the balance sheet drawn in accordance within provisions of the said section shall give a true and fair view of the Company as at the end of the period concerned.

- 118 The Company shall send a copy of such balance sheet and profit and loss account together with a copy of Auditor's report and the report of the Directors and every other document required by law to be annexed or attached, as the case may be, to the balance sheet to the registered address of every member of the Company in the manner in which notices are to be given hereinunder at least 21 days before the meeting (or if so agreed by all the members entitled to vote, less than twenty-on-days before in the meeting) at which it is to be laid before the member of the Company for inspection of the members of the Company during a period of atleast twenty-one days before that meeting or less or than that if so agreed by members as aforesaid.
- 119 The Directors shall in all respects comply with the provisions of sections 209 to 211 and 215 to 222 of the Act or any statutory modification thereof for the time being in force.

AUDIT

- 120 Once at least in every financial year the accounts of the Company shall be examined and the correctness of the profit and loss account and balance sheet as ascertained by one of more auditors.
- 121 The auditor/Auditors of the Company shall be appointed or reappointed by the Central Government on the advice of the Comptroller and Auditor-General of India and the Remuneration, rights and duties of such Auditors shall be regulated by sections 224 to 233 of the Act.
- 122 The Auditors of the Company shall be entitled to receive notice of and to attend any general meeting of the Company at which any accounts which have been examined or reports on by them are to be laid before the Company and may make any statement or explanation they desire with respect to the accounts.

- 123 (a)The Comptroller and Auditor-General of India shall 'have power—
- (i) to direct the manner in which the Company's accounts shall be audited by the Auditor/Auditors and to give such Auditor/Auditors instructions in regard to any matter relating to the performance of his/their functions as such;
- (ii) to conduct a supplementary or test audit of the Company's accounts by such person/persons as he may authorise in this behalf and for the purpose of such audit, to have access, at all reasonable times, to all accounts, account books, Vouches, documents and other papers of the Company and to require information or additional information to be furnished to any person or persons and in such form as the Comptroller and Auditor-General may, by general or special order, direct
- (b) The Auditor/Auditors aforesaid shall submit a copy of his/their audit report to the Comptroller and Auditor-general of India who shall have the right to comment upon or supplement the audit report in such manner as he may think fit.
- (c) Any such comment upon or supplement to the audit report shall be placed before the annual general meeting of the Curopany at the same time and in the same manner as the audit report.

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

NOTICES

- 125 A notice may be given by the Company to any member either personally or by sending it by post to hint to his registered address, or (if he has no registered address), to the address, if any, supplied by him to the Company for the giving of notice to him.
- 126 A holder of registered shares, who has no registered place of address, may from time to time, notify in writing to the Company an address, which shall be deemed his registered place of address, within the meaning of the last preceding Articles.

- 127 If a member has no registered address and has not supplied to the company an address for the giving of notice to him a notice addresses to him and advertised in a newspaper circulating in the neighbourhood of the Registered Office of the Company, shall be deemed to be duly given to him on the day on which the advertisement appears.
- 128 A notice may be given by the Company to the joint holders of a share by giving the notice to the joint holder named first in the register in respect of the share.
- 129 A notice may be given by the Company to the persons entitled to a share in consequence of the death or insolvency of a member by sending through the post in a prepaid letter addressed to the them by the name, or by title of representatives of the deceased or assignee of the insolvent or by any like description, at the address (if any) supplied for the purpose by the persons claiming to be so entitled or (until such an address has been so supplied) by giving notice in any manner in which the same might have been given if the death or insolvency had not occurred.
- 130 Notice of every general meeting shall be given in the manner hereinbefore authorised to (a) every member of the Company except those members who having no registered address and have not supplied to the Company any address for the giving of notice to them and also to (b) every person entitled to a share in consequence of the death or insolvency of a member who, but for his death or insolvency, would be entitled to receive notice of the meeting, provided the Company has been given due notice.
- 131 Every person who, by operation of law, transfer or other means whatsoever, shall become entitled to any share shall be bound by every notice in respect of such share which, previously to his name and address and title to the share being notified to the Company, had duly been given to the person from, whom he derives his title to such share.
- 132 The signature to any notice to be given by the Company may be Written or printed.
- 133 Where a given number of days' notice or notices extending over any other period is required to be given, the day of service shall, unless it is otherwise provided, be counted in such number of days or other period

WINDINGUP

- 134 If the Company shall be wound up and the assets available for distribution among the members as such shall be insufficient to repay the whole of the paid up capital, such assets shall be distributed so that , as nearly as may be ,the losses shall be borne by the member in proportion to the capital paid up, or which ought to have been paid up, at the commencement of the winding up, on the shares held by them respectively. And if in winding up ,the assets available for distribution among members shall be more than sufficient to repay the whole of the capital paid up at the commencement or the winding up the excess shall be distributed amongst the members in proportion to the capital, at the commencement of the winding up, paid up or 'which ought to have been paid up on the shares held by them respectively. But this clause is to be without prejudice to the rights of the holders of shares issued upon special terms and conditions.

SECRECY

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

INDEMINITY

- 136 Subject to the provision of section 201 of the Act, every Director, manager, auditor, secretary and other officer or servant of the Company shall be indemnified by the Company agent, and it shall be duty of the Directors out of the fund of the Company to pay, all costs, losses and expenses which any such officer or servant may incur or become liable to by reasons of any contract entered into or act or thing done by him as such officer or servant, or in anyway 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 is between the members over all other claims.

137 No Director or other officer of the Company shall be liable for the acts, receipts, neglects or default of any Directors or officer or the Company or for joining in any receipt or other act for conformity, or for any lesser expensive happening to the company though to 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 tortious act of any person with whom any moneys, securities or effects shall be deposited or for any loss occasioned by any error of judgement or over sight on his part or for any other loss, damages or misfortune whatever, which shall happen in the execution of the duties of his officer in relation thereto unless the same happens through his own negligence, default, misfeasance breach of duty or breach of trust.

we, the several person whose names and addresses are subscribed below, are desirous of being formed into company in pursuance of this Articles of associations and we respectively agree to take the numbers of shares in the capital of the Company set opposite our respective names.