

47. Subject to the approval of the President the Company may in General Meeting alter the conditions of its Memorandum as follows:

Consolidation,
division and sub-
division

- (a) Consolidate and divide all and any of its share capital into shares of larger amounts than its existing shares.
- (b) Sub-divide shares or any of them into shares of smaller amounts than originally fixed by the Memorandum subject nevertheless to the provisions of the Act in that behalf. Subject to these Articles the resolution by which any shares are subdivided may determine that as between the holders of the shares resulting from such subdivision one or more of such shares may be given any preference or advantages or otherwise over the others or any other such shares.
- (c) Cancel shares which at the date of such General Meeting have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the share so cancelled.

MODIFICATION OF CLASS RIGHTS

48. If at any time the share capital of the Company by reason of the issue of preference shares or otherwise, is divided into different classes of shares, all or any of the rights attached to the shares of any class may, subject to the approval of the President of India and also the provisions of Sections 106 and 107 of the Act be varied (a) with the consent in writing of the holders of at least three-fourth of the issued shares of that class or (b) with the sanction of a special resolution passed at a separate meeting of the holders of the issued shares of that class, and all the provisions hereinafter contained as to General Meeting shall, mutatis mutandis apply to every such meeting, except that the quorum thereof shall be members holding or representing by proxy one-fifth of the nominal amount of the issued shares of that class.

Power to modify
rights

BORROWING POWERS

49. Subject to the approval of the President, "and subject to Section 292 of the Act" the Directors may, from time to time, borrow and/ or secure the payment of any sum or sums of money for the purposes of the Company.
- Power
borrow to
50. The Directors may subject to the approval of the President raise and secure the payment 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 perpetual or redeemable debentures or debenture stock of any mortgage or charge or the whole or any part of the property of the Company (both present and future) including its uncalled capital for the time being.
- Conditions on
which money
may be
borrowed
51. Any bonds, debentures, debenture stock or other securities issued or to be issued by the Company shall be under the control of the Directors who may issue them upon such terms and conditions and in such manner and for such consideration as they shall consider to be for the benefit of the Company.
- Bonds,
debentures etc.
to be subject to
control of
Directors
52. Debentures, debenture stock, bonds or other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.
- Securities may
be assignable
free from
equities
53. Subject to the approval of the President and subject to Section 79 of the Act, any bonds, debentures, debenture stock or other securities may be issued at a discount premium or otherwise and with any special privileges as to redemption, surrender, drawings, and allotment of shares.
- Issue at
discount etc. or
with special
privileges
54. If any uncalled capital of the Company is included in or charged by any mortgage or other security, the Directors may by instrument under the seal authorise the person in whose favour such mortgage or security is executed or any other person in trust for him to make calls on the members in respect of such uncalled capital and the provisions hereinbefore contained in regard to calls shall mutatis mutandis apply to calls made under such
- Mortgage of
uncalled capital

authority and such authority may be made exercisable either conditionally or unconditionally and either presently or contingently and either to the exclusion of the Directors' power or otherwise and shall be assignable if expressed so to be.

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

Indemnity may be given

56. The Directors shall cause a proper register to be kept in accordance with the provisions of Section 143 of the Act of all mortgages, debentures and charges specifically affecting the property of the Company and shall cause the requirements of Section 124-144 of the said Act in that behalf to be duly complied with so far as they fall to be complied with by the Company.

Register of mortgage to be kept

CONVENING MEETINGS

57. The first annual general meeting of Company shall be held within a period of not more than eighteen months from the date of its incorporation. The company shall in each subsequent year hold in addition to any other meetings, general meeting as its annual general meeting and shall specify the meeting as such in the notices calling it and not more than fifteen months shall elapse between the date of one annual general meeting of the company and that of the next, except, when for any special reason, the time for holding the annual general meeting (not being the first annual general meeting) has been extended by the Registrar by virtue of the power conferred by the second proviso under Sub-Section (1) of Section 166 of the Company Act, 1956 by a period not exceeding three months.

General Meeting

Every annual general meeting shall be called for a time during business hours, on a day that is not a public holiday, and shall be held either at the registered office of the company or at some other place within the city, town or village in which the registered office of the company is situated.

Provided that the company may by resolution agreed to by all the members thereof, fix the time as well as the place for its annual general meeting.

58. An annual return prepared in accordance with Section 159 of the Act, along with the certificate referred to in Section 161 of the Act, shall be filed with the Registrar of Companies within sixty days from the day on which the annual general meeting is held.

Annual
summary

59. The Directors may call an Extra-ordinary Meeting whenever they think fit.

Directors may
call extra-
ordinary
meetings

60. (i) Subject to the provisions of Section 169 (4) (a) of the Act, Directors shall on the requisition of the holders of not less than one-tenth of the paid-up share capital of Company upon which all calls or other sums then due have been paid forthwith proceed to call an Extra-ordinary General Meeting of the Company.

Calling of
Extra-ordinary
General
Meetings on
requisition

(ii) The requisition must state the objects of the meeting and must be signed by the requisitionists and deposited at the Registered office of the Company and may consist of several documents in like form, each signed by one or more requisitionists. In case of joint holders of shares all such holders shall sign the requisition.

(iii) If the Directors do not proceed within 21 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 deposit of the requisition the requisitionists or a majority of them in value may themselves call the meeting but in either case any meeting so called shall be held within three months from the date of the deposit of the requisitions.

(iv) Any meeting called under this Article by the requisitionists shall be called in the same manner as early as possible, as that in which meetings are to be called by the Directors.

(v) Any reasonable expenses incurred by the requisitionists by reason of the failure of the Directors duly to convene a meeting shall be repaid to the requisitionists by the Company and any sum so repaid should be retained by the Company out of any sums due or to become due from the Company by way of fees or other remunerations for their services to such of the Directors as were in default.

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|-----|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------|
| 61. | Four days' notice at least of every General Meeting Ordinary or Extra-ordinary and by whomsoever called specifying the date, hour and place of the meeting and with a statement of the business to be transacted at the meeting (an in case it is proposed to pass a Special Resolution the intention to propose such resolution as a Special Resolution) shall be given to the persons entitled under and in the manner provided by the Act and these Articles. | Notice of Meeting to be given |
| 62. | With the consent of all members entitled to receive notice of a meeting or to attend and vote at any such meeting a meeting may be convened by shorter notice than 4 days. | Shorter notice by consent |
| 63. | The accidental omission to give notice to or the non-receipt thereof by any member shall not invalidate any resolution passed at any such meeting. | Omission to give notice not to invalidate a resolution passed |
| 64. | Two members present in person shall be a quorum for a general meeting. | Quorum |
| 65. | The business of an annual general meeting shall be to receive and consider the profit and loss account, the balance sheet, and the report of the Directors and of the Auditors, to declare dividends, and to appoint and fix the remuneration of the auditors. All other business transacted at such meeting and all business transacted at an extraordinary meeting, shall be deemed special. | Business of ordinary meeting |

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

Right of the President to appoint any person as representative

(ii) Any one of the persons appointed under Sub-Article (i) of this Article who is personally present at the meeting shall be deemed to be member entitled to vote and be present in person and shall be entitled to represent the President at all or any such meetings and to vote on his behalf whether on a show of hands or on a poll.

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

(iv) The production at the meeting of an order of the President evidenced as provided in the Constitution of India shall be accepted by the Company as sufficient evidence of any such appointment or cancellation as aforesaid.

(v) Any person appointed by the President under this Article may, if so authorised by such order, appoint a proxy, whether specially or generally.

67. No business shall be discussed at any General Meeting, except the election of a Chairman whilst the Chair is vacant.

Business confined to election of Chairman whilst chair vacant

68. The Chairman of the Directors shall be entitled to take the Chair at every General Meeting. If there be no Chairman or if at any meeting he is not present within 15 minutes after the time appointed for holding such meeting or is unable to be present due to illness or any other cause or is unwilling to act, the Deputy Chairman if any shall preside at the meeting. If there is no Deputy Chairman or if at any meeting he is not present or is unwilling to act as Chairman, than the Directors present may choose a Chairman and in default of their doing so, the members present shall choose

Chairman of General Meeting

one of the Directors to be Chairman and if no Directors present be willing to take the Chair, the members present shall choose one of their number to be Chairman.

69. If within fifteen minutes after the time appointed for the holding of a General Meeting a quorum be not present, the meeting, if convened on the requisition of the shareholders shall be dissolved and in every other case shall stand adjourned to the same day in the next week at the same time and place or to such other day, time and place as the Directors may by notice to the shareholders appoint. If at such adjourned meeting a quorum be not present within half an hour of the time appointed for holding the meeting those members present shall be a quorum and may transact the business for which the meeting was called.

Proceedings
when quorum
not present

70. The Chairman with the consent of the meeting may adjourn any meeting from time to time and from place to place.

Chairman with
consent may
adjourn
meeting

71. No business shall be transacted at any adjourned meeting other than business which might have been transacted at the meeting from which the adjournment took place.

Business at
adjourned
meeting

72. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless a poll is, before or on the declaration of the result of the show of hands, demanded by a member present in person or proxy or by duly authorised representative, and unless a poll is so demanded, a declaration by the Chairman that a resolution has, on a show of hands been carried or carried unanimously or by a particular majority or lost, and an entry to that effect in the book of proceedings of the Company, shall be conclusive evidence of the fact, without proof of the number or proportion of the vote recorded in favour of or against that resolution.

What is to be
evidence of the
passing of a
Resolution
where poll not
demanded

73. If a poll is demanded as aforesaid, it shall be taken in such manner and at such time and place as the Chairman of the meeting shall direct and either at once or after an interval or adjournment, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand of a poll may be withdrawn.
- By whom poll may be demanded
74. In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded, shall be entitled to a casting vote in addition to his own vote to which he may be entitled as a member.
- Motion how decided in case of equality of votes
75. Any poll duly demanded on the election of a Chairman of a meeting or on any question of adjournment shall be taken at the meeting and without adjournment.
- In what cases poll taken without adjournment
76. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than question on which the poll has been demanded.
- Demand for poll not to prevent transaction of other business
77. Minutes shall be made in books provided for the purpose of all resolutions and proceedings at General Meeting and any such minutes if signed by any person purporting to have been the Chairman of the meeting to which it related or by the person who shall preside as Chairman at the next succeeding meeting shall be receivable as evidence of the facts there in stated without further proof.
- Minutes of General Meeting
78. The books containing minutes of proceedings of General Meetings of the Company shall be kept at the Registered Office of the Company and shall during business hours (subject to such reasonable restrictions as the Company in General Meeting may from time to time impose so that not less than two hours in each day be allowed for inspection) be open to the inspection of any member without charge.
- Inspection of minute books

79. Any member shall at any time after seven days from the meeting be entitled to be furnished within seven days after he had made a request in that behalf to the Company with a copy of any minutes referred to above at a charge not exceeding thirty seven naye paise for every 100 words.

Copies of
minutes

VOTE OF MEMBERS

80. Upon a show of hands every member entitled to vote and present in person shall have one vote and upon a poll every member entitled to vote and present in person or by attorney or by proxy shall have one vote for every share held by him.

Votes

81. Any member who is a company present by a representative duly authorised by a resolution of the Directors of such company in accordance with the provisions of Section 187 of the Act may vote on a show of hands as if he was an individual member of the Company. The production at the meeting of a copy of such resolution duly signed by one Director of such company and certified by him as being a true copy of the resolution shall at the meeting be accepted by the Company as sufficient evidence of the validity of his appointment.

Voting by a
representative of
a member
company on
show of hands

82. Subject to the provisions of the Act no member shall be entitled to be present or to vote at any General Meeting either personally or by proxy or attorney for any other member or be reckoned in a quorum whilst any call or other sum shall be overdue and payable to the Company in respect of any of the shares of such member for more than one month.

No member to
vote unless calls
are paid up

83. Any person entitled under the Transmission Class (Article 38 hereof) to transfer any shares may vote General Meeting in respect thereof as if he was the registered holder of such shares provided that at least 72 hours before the time of holding the meeting or adjourned meeting as the case may be at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares unless the Directors shall have previously admitted his right to vote at such meeting in respect thereof.

Votes in respect
of shares of
deceased
insolvent
members

84. No person shall be appointed proxy who is not a member of the Company and qualified to vote save that a Corporation being a member of the Company may appoint as its proxy one of its directors or officers though not a member of the Company. No attorney shall be entitled to be present or vote on behalf of a member of the Company unless at least 72 hours before such meeting such attorney was and at the date of such meeting is a member of the Company but this prohibition shall not apply to an attorney who is director or officer of a Company.
85. Votes may be given either personally or (subject to the provision of Article 84) by attorney or by proxy or in the case of a company by a representative duly authorised as aforesaid.
86. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney or if such appointer is a company or corporation under its common seal or under the hand of a person duly authorised by such company or corporation in that behalf or under the hand or its attorney who may be the appointer.
87. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notary certified copy thereof shall be deposited at the 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 proposed to vote and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of 12 months from the date of its execution except in the case of the adjourning of any meeting first held previously to the expiration of such time. An attorney shall not be entitled to vote unless the Power of Attorney or other instrument appointing him or a notary certified copy thereof has either been registered in the records of the Company at any time not less than forty-eight hours before the time for holding the meeting at which the attorney proposes to vote or is deposited at the office of the Company not less than forty-eight hours before the time fixed for such meeting as afore-

Qualification of proxy

Votes may be given by proxy or attorney

Appointment & qualification of proxy

Deposit of instrument of appointment

Validity of votes given by proxy notwithstanding death of member, etc.

said. Notwithstanding that a Power of Attorney or other authority has been registered in the records of the Company, the Company may by notice in writing addressed to the member or the attorney require him to produce the original Power of Attorney or authority and unless the same is there upon deposited with the Company the attorney shall not be entitled to vote as such meeting unless the Directors in their absolute discretion excuse such non-production and deposit.

- 88. If any such instrument of appointment be confined to the subject of appointing proxy or substitute for voting at meetings of the Company it shall permanently or for such time as the Directors may determine, nil custody of the Company and if embracing other objects a copy thereof, examined with the original, shall be delivered to the Company to remain in the custody of the Company.

Custody of the instrument

- 89. Every instrument of proxy for specified meeting or otherwise shall, as nearly as circumstances will admit, be in the form or to the effect following:

Form of proxy

National Seeds Corporation Limited

I, a member of the National Seeds Corporation Limited do hereby appoint of (or failing him) of as my proxy to attend and vote for me and on my behalf at the Ordinary/ Extraordinary General Meeting of the Company to be held on the day of 20..... and at any adjournment thereof.

As witness my hand this day of 20..... signed by the said

- 90. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the principal or revocation of the proxy or of any power of attorney under which such proxy was signed or the transfer of the share in respect of which the vote is given provided that no intimation in writing of the death revocation or transfer shall have been received at the office of the Company before the meeting.

Validity of votes given by proxy notwithstanding death of member, etc.

91. No objection shall be made to the validity of any vote except at the meeting or poll at which such vote shall be tendered, and every vote whether given personally or by proxy not disallowed at such meeting or poll, shall be deemed valid for all purpose of such meeting or poll whatsoever.

Time objections for votes to

92. The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.

Chairman of any meeting to be the judge of validity of any vote

93. Any member whose name is entered in the Register of Members of the Company shall enjoy the same rights and be subject to the same liabilities as all other members of the same class.

Equal rights of members

DIRECTORS

94. The president shall from time to time determine the number of Directors of the Company which shall not be less than two and not more than twenty five. The Directors shall not be required to hold any qualification shares.

Number of Directors

95. (a) The Director shall be appointed by the President, in consultation with the Chairman, and shall be paid such salary and/ or allowances as the President may from time to time determine. Subject to the provision of Section 314 of the Act such reasonable additional remuneration as may be fixed by the President may be paid to any one or more of the Directors for extra or special service rendered by him or them or otherwise;

Appointment of Directors

(b) The President may from time to time appoint a Chairman and Deputy Chairman of the Board of Directors and determine the period for which either of them is to hold his respective office;

Powers of Chairman

(c) The President shall have the power to remove any Director including the Chairman and the Deputy Chairman, if any, from office at any time in his absolute discretion;

(d) The President, in consultation with the Chairman, shall have the right to fill any vacancy in the office of the Directors caused by removal, resignation, death or otherwise.

96. (a) The President, in consultation with the Chairman, may appoint a Managing Director, as the Chief Executive Officer of the Company for such term and on such remuneration as he may think fit and from time to time remove him from office and appoint another in his place.

General
Manager or
Managers of FA
& CAO

(b) The President, in consultation with the Chairman, may appoint full-time functional Director(s) for such term and on such remuneration as he may think fit and may from time to time remove him or them from office and appoint another or others in his or their place or places.

(c) Subject to the approval of the President, the Board may from time to time entrust to and confer upon the Chairman or Managing Director or Financial Controllers and Chief Account Officers for the time being such of the powers as they may think fit and may confer such powers for such time and to be exercised for such subjects and purposes and upon such terms and conditions and with such restrictions as they may think expedient and may from time to time revoke, withdraw, alter or vary all or any such powers.

97. The Chairman shall reserve for the decision of the President any proposals or decisions of the Directors in respect of the following:

Powers
Chairman of

(a) Any programme of capital expenditure for an amount which exceeds Rs. 40 lakhs.

(b) Winding up of the Company.

(c) Any other matter which in the opinion of the Chairman be of such importance as to be reserved for the approval of the President.

98. No action shall be taken by the Company in respect of any proposal or decision of the Directors reserved for the approval of the President until his approval to the same has been obtained. The President shall have the

power to modify such proposal or decision of the Directors.

99. The office of a Director shall become vacant if:

Directors
Vacating office

- (i) he fails to obtain within the time specified in sub-section (1) of Section 270 or any time thereafter ceases to hold the share qualification, if any required of him by the Articles of the Company, or
- (ii) he is found to be of an unsound mind by a court of competent jurisdiction, or
- (iii) he applied to be adjudicated an insolvent, or
- (iv) he is adjudged an insolvent, or
- (v) he convicted by a court of any offence involving moral turpitude and sentenced in respect thereof to imprisonment not less than six months, or
- (vi) he fails to pay any call in respect of shares of the Company held by him whether alone or jointly with others within six months from the last date fixed for the payment of the call unless the Central Government has by notification in the official gazette removed the disqualification incurred by such failure, or
- (vii) he absents himself from three consecutive meetings of the Board of Directors or from all meetings of the Board for a continuous period of three months whichever is longer without obtaining leave of absence from the Board, or
- (viii) he, whether by himself or by any person for his benefit or on his account or any firm in which he is a partner or any private company of which he is a director, accepts a loan or any guarantee or security for a loan from the company in contravention of Section 295 of the Act, or
- (ix) he acts in contravention of Section 299 of the Act, or
- (x) he becomes disqualified by order of a court under section 203 of the Act, or
- (xi) he is removed in pursuance of Section 284 of the Act, or

- (xii) having been appointed a Director by virtue of his holding any office or other employment in the Company, he ceased to hold such office or other employment in the company, or
- (xiii) he or any firm of which he is a partner or any private company of which he a Director without the sanction of the company in company in general meeting accepts or holds any office of profit under the company other than that of Manager or General Manager or legal or technical adviser or a banker, a
- (xiv) he suspends payment to or compounds with his creditors, or
- (xv) he resigns office by notice in writing addressed to the Company or to the Directors.

100. Subject to the restrictions imposed by these Articles and the Act and the observance and fulfilment thereof, no Director shall be disqualified by his office from contracting with the Company either as a vendor, purchaser, agent, broker or otherwise, nor shall any such contract, or any contract or arrangement entered into by or on behalf of the Company in which any Director shall be in any way interested be avoided nor shall any Director, so contracting or being so interested be liable to account to the company for any profit realised by any such contract or arrangement by reason only of such Director holding that office, or of the fiduciary relation thereby established, but it is declared that the nature of his interest must be disclosed by him at the meeting of the Directors at which the contract or arrangement is determined on, if his interest then exists or in any other case at the first meeting of the Directors after the acquisition of his interest, and that no Director shall, as a Director, vote in respect of any contract or arrangement in which he is so interested, and if he does so vote his vote shall not be counted. Provided that the Directors or any of them, may vote on any contract of indemnity against any loss which they or any one or more of them may suffer by reason of becoming or being sureties or a surety for the Company. A general notice that any Director is a member of any specified firm or a Director or member of any specified Company

Director may contract with Company and vote in respect of any contract in which he is interested

and is to be regarded as interested in any subsequent transaction with such firm or company, shall be sufficient disclosure under this Article, and after such general notice it shall not be necessary to give any special notice relating to any particular transaction with such firm or company.

101. The Company shall keep a Register in which shall be entered particulars of all contracts or arrangements in which any Director is concerned or interested directly or indirectly as required by the provisions of the Act.
102. A Director of this Company may be, or become a Director of any Company promoted by this Company or in which it may be interested as a vendor, member or otherwise and no such Director shall be accountable for any benefits received as Director or member of such Company.
103. The Company shall not make any loan or guarantee any loan made to a Director of the Company or to a firm of which such Director is a partner or to a private company of which such Director is a member or Director.
104. The Directors shall meet together for the despatch of business at least in every three months and shall hold at least four such meeting in every year, adjourn and otherwise regulate their meetings and proceedings as they think fit and may determine the quorum necessary for the transaction of business. Until otherwise determined one-third of the total strength of Directors (any fraction contained in that one-third being rounded off as one), or two Directors whichever is higher shall be a quorum.
105. The accidental omission to give notice of any such meeting of the Directors to a Director shall not invalidate any resolution passed at any meeting.
106. A Director who is at any time not in India shall not during such time be entitled to notice of any such meeting.

Register of
Contracts

Directors be
Directors of
Companies
promoted by
the Company

Loans to
Directors

Meetings of
Directors and
Quorum

Omission to
give notice

Directors not
entitled to
notice

107. Question arising at any meeting shall be decided by a majority of votes, and in case of any equality of votes, the Chairman of the meeting shall have a second or casting vote. Question at Board Meeting how decided
108. All meetings of the Directors shall be presided over by the Chairman if present and if at any meeting the Chairman is not present the Deputy Chairman, if any shall preside and if at any meeting the Deputy Chairman be not present at the time appointed for holding the same, then and in that case the Directors shall choose one of the Directors then present to preside at the meeting. Who is to preside at meeting of the Board
109. A meeting of the Directors for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under the Articles of the Company for the time being vested or exercisable by the Directors generally. Quorum competent to exercise powers
110. ✓ The Directors may, subject to the provision of Section 292 of the Act, delegate any of their powers, to Committees consisting of such member or members of their body as they think fit and they may from time to time revoke such delegation. Any Committee so formed shall in the exercise of powers all so delegated, conform to any regulations that may from time to time be imposed on it by the Directors. Directors may appoint committee
111. The meetings and proceedings of any such Committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors, so far as same are applicable there to and are not superseded by any regulations made by the Directors under the last preceding Article. Meetings of Committee how to be governed
112. Subject to the provisions of Section 289 of the Act, a resolution in writing approved by such of the Directors as are then in India (not being less in number than the quorum fixed for meeting of the Board or Committee as the case may be) or by a majority of such of them as are entitled to vote on the resolution, shall be as valid and effectual as if it had been passed at meeting of the Directors duly called and constituted. Resolution without Board Meeting valid

113. All acts done by any meeting of the Directors, or by a Committee of Directors, or by any person acting as a Director shall, notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Directors, or person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person has been duly appointed and was qualified to be a Director.

Acts of Board
or Committees
valid
notwithstandin
g defect of
appointment

114. The Directors shall cause minutes to be made in books provided for the purpose in accordance with the provisions of Section 193 of the Act, inter alia giving particulars of

Directors to
cause minutes
to be made in
the books

(a) of all appointments of officers made by the Directors;

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

(c) of all resolutions and proceedings at all meetings of the Company, and of the Directors, and of the Committees of Directors; and every Director present at any meeting of Directors or Committee of Directors shall sign his name in a book to be kept for that purpose.

115. All such minutes shall be signed by the Chairman of the meeting as recorded, or by the person who shall preside as Chairman at the next succeeding meeting and all minutes purported to be signed shall for all purposes whatsoever be prima facie evidence of the actual passing of the resolutions recorded and the actual and regular transaction or occurrence of the proceedings so recorded and, of the regularity of the meeting at which the same shall appear to have taken place.

By whom
minutes to be
signed and the
effects of
minutes
recorded

POWERS OF DIRECTORS

116. The business of the Company shall be managed by the Directors who may pay all expenses of getting the Company registered and may exercise of such powers and do all such acts and things as the Company is by its Memorandum of Association or otherwise authorised to exercise and do and are not

General Powers
of Company
vested in
Directors

hereby or by statute directed or required to be exercised or done by the Company in General Meeting, but subject nevertheless to the provisions of the Act and of the Memorandum of Association and these Articles and to any regulations not being inconsistent with the Memorandum of Association and these Articles from time to time made by the Company in General Meeting provided that no such regulation shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made.

117. Without prejudice to the general powers conferred by the last preceding Article and other powers conferred by these Articles the Directors shall have the following powers:

- (1) From time to time to make, vary and repeal bye-laws for the regulation of the business of the Company, its officers and servants;
- (2) To pay and charge to the capital account of the Company any interest lawfully payable thereout under the provisions of the Act;
- (3) To purchase or otherwise acquire for the Company and 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;
- (4) At their discretion to pay for any property or rights acquired by or services rendered to the Company, either wholly or partially in cash, or in shares, bonds debentures, debenture stock or other securities of the Company, any such shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures, debenture stock or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged;
- (5) To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery,

Specific Powers
given to Directors

To make bye-
laws

To acquire
property

To pay for
property in
debentures etc.

To insure
property etc.

goods, stores, produce and other movable property of the Company either separately or conjointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell assign surrender or discontinue any policies of assurance effected in pursuance of this power;

- (6) To open accounts with any bank or bankers or with any Company, firm or individual and to pay money into and draw money from any such account from time to time as the Directors may think fit;
- (7) To secure the fulfilment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the property of the Company and its unpaid capital for the time being or in such other manner as they think fit;
- (8) To attach to any shares to be issued as the consideration or part of the consideration for any contract with or property acquired by the Company, or in payment for services rendered to the Company, such conditions as to the transfer thereof as they think fit;
- (9) To appoint any person or persons (whether incorporated or not) to accept and hold in trust for the Company or in which it is interested or for any other purposed and to execute and do all such acts and thinks as may be requisite in relation to any such trust and to provide for the remuneration of such trustee or trustees;
- (10) To institute, conduct, defend, compound, or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debt due, or of any claims or demands by or against the Company;
- (11) To refer any claim or demand by or against the Company to arbitration and observe and perform the awards;

To open
accounts

To secure
contracts by
mortgage

To appoint
Trustees

To bring and
defend action

To refer to
arbitration

- (12) To act on behalf of the Company in all matters relating to bankrupts and insolvents;
- (13) To make and give receipts, releases and other discharges for moneys payable to the Company and for the claims and demands of the Company; To give receipt
- (14) To determine from time to time who shall be entitled to sign on the Company's behalf bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents; To authorise acceptance etc.
- (15) To invest and deal with any of the money of the Company not immediately required for the purpose thereof, upon such securities and in such manner as they may think fit and from time to time to vary or realise such investments; To invest money
- (16) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability for the benefit of the Company such mortgages of the Company's property (present and future) as they think fit, and any such mortgage may contain a power of sale and such other powers, covenants and provisions as shall be agreed on; To give security by way of indemnity
- (17) To give to any Director, officer or other person employed by the Company an interest in any particular business or transaction either by way of commission on the gross expenditure thereon or otherwise or a share in the general profits of the Company, and such interest, commission or share of profits shall be treated as a part of the working expenses of the Company; To give percentage
- (18) To provide for the welfare of employees or ex-employees of the Company or of its predecessors in business and the wives, widows and families or the dependants or connections of such employees or ex-employees, by building or contributing to the building of houses, dwellings or chawls or To give bonus

by grants of money, pensions, allowances, bonuses, profit sharing bonuses of benefit of any other kind; or by creating and from time to time subscribing or contributing to provident and other associations, institutions, funds, profits sharing or other schemes or trusts or by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendances and any other form of assistance welfare or relief as the Directors shall think fit;

- (19) To subscribe or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national, public or any other institutions or objects, or for any exhibition;

To subscribe to
charitable and
other funds

- (20) Before recommending any dividend to set aside out of the profits of the Company such sums as they may think proper for depreciation or to Depreciation Fund, Reserve or to Reserve Fund, or Sinking Fund, Insurance Fund or any special or other fund to meet contingencies or to repay redeemable Preference Shares, debentures or debenture stock and for special dividends and for equalising dividends and for repairing, improving, extending and maintaining any part of the property of the Company, and for such other purposes (including the purposes referred to in the sub-clause 19) as the Directors may, in their absolute discretion think conducive to the interest of the Company; and to invest the several sums so set aside or so much thereof as require to be invested upon such investments (subject to the restrictions imposed by the Act) as the Directors may think fit; and from time to time to deal with any very such investments and dispose of and apply and expend all or any part thereof for the benefit of the Company, in such manner and for such purposes as the Directors (subject to such restrictions as aforesaid) in their absolute discretion think conducive to the interest of the Company notwithstanding that the matters to which

To create
depreciation
and other
funds

the Directors apply or upon which they expend the same, or any part thereof may be matters to or upon which the capital moneys of the Company might rightly be applied for expended and to divide the Reserve Fund into such special funds as the Directors may think fit, and to employ the assets constituting all or any of the above funds, including the Depreciation Fund, in the business of the Company or in the purchase or repayment of redeemable Preference Shares, debentures or debenture stock and that without being found to keep the same separate from the other assets, and without being bound to pay or allow interest on the same, with power however to the Directors at their discretion to pay or allow to the credit of such fund interest at such rate as the Directors may think proper; not exceeding six percent per annum;

- (21) Subject to the provisions of Section 205 of the Companies Act 1956, dividend shall not be declared or paid by the directors, for any financial year, except out of the profits of the company for that year arrived at after providing for depreciation in accordance with the provision for Sub-section (2) of that Section or out of the profits of the Company for any previous financial year or years arrived at after providing for depreciation in accordance with those provisions and remaining undistributed or out of both;
- (22) To appoint and at their discretion remove or suspend such secretaries, officers, clerks, agents and servants as they may from time to time think fit, and to determine their powers and duties and fix their salaries or emoluments and require security in such instances and to such amounts as they may think fit. Provided, however, that the appointment in the categories of posts carrying scale of Rs. 2500-3000 and above of persons who have already attained the age of 58 years, shall not be made without approval of the President. And also without prejudice as aforesaid, from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India in such manner as

Dividend to be paid only out of profit

To appoint officers

they think fit and the provisions contained in Sub-clause 24 and 25 following shall be without prejudice to the general powers conferred by this Clause;

(23) To comply with the requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with;

To comply with
local laws

(24) From time to time and at any time to establish any Local Board in any specified locality in India or else-where and to appoint any persons to be members of any Local Board, and to fix their remuneration. And from time to time, and at any time to delegate to any person so appointed any of the powers, authorities and discretions for the time being vested in the Directors, other than their powers to make call and issue debentures and to authorise the members for the time being of any such Local Board, or any of them to fill up any vacancies, therein and to act notwithstanding vacancies and any such appointment or delegation may be made on such terms and subject to such conditions as the Directors may think fit, and the Directors may at any time remove any person so appointed, and may annual or vary any such delegation. Any such delegates may be authorised by the Directors to sub-delegate all or any of the Directors to sub-delegate all or any of the powers authorities and discretion for the time being, vested in them;

To establish
local Boards

✓ (25) Subject to the provisions of Section 292 of the Act at any time and from time to time by Power of Attorney to appoint any person or persons to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these presents) and for such period and subject to such conditions as the Directors may from time to time think fit and any such appointment (if the Directors think fit) may be made in favour of the members or any of the members of any Local Board established as aforesaid or in favour of any Company or the members, Directors, nominees or managers of any company or firm or

otherwise in favour of any fluctuating body or person whether nominated directly or indirectly by the Directors, and any such power of attorney may contain such powers for the protecting or convenience of persons dealing with such attorneys as the Directors may think fit;

✓(26) Subject to Section 292 of the Act, to delegate all or any of the powers, authorities and discretions for the time being vested in the Directors subject to the ultimate control and authority being retained by them;

(27) Any such delegate or attorney as aforesaid may be authorised by the Directors to sub-delegate all or any of the powers, authorities and discretions for the time being vested in them; and

(28) To enter into all such negotiations and contracts and rescind and vary all such contracts and execute and do all such acts, deeds and things in name of 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 purposes of the Company.

118. The seal shall not be affixed to and instrument except by the authority of a resolution of the Board of Directors and in the presence of one Director at the least.

INTEREST OUT OF CAPITAL

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

To enter into contracts

Seal

Payment of interest out of capital.

120. The profits of the Company subject to any restrictions and limitations or special rights relating thereto created or authorized to be created by the Memorandum or by these Articles shall be divisible among the members in proportion to the amount of capital paid up on the shares held by them respectively. Provided always that (subject as aforesaid) any capital paid up on the share during the period in respect of which a dividend is declared, shall, unless the Directors otherwise determine, only entitle the holder of such share to an apportioned amount of such dividends as from the date of payment.
121. Where capital is paid up in advance of calls upon the footing that the same shall carry interest, such capital shall not, whilst carrying interest confer a right to participate in profits.
122. The Company may pay dividends in proportion to the amount paid up or credited as paid up on each share, where a larger amount is paid up or credited as paid up on some shares than on others.
123. The Company in General Meeting may declare a dividend to be paid to the members according to their respective rights and interest in the profits and may fix the time for payment.
124. No larger dividends shall be declared than is recommended by the Directors but the Company in General Meeting may declare smaller dividends. No dividend shall be payable except out of the profits of the year or any other undistributed profits, and no dividend shall carry interest as against the Company. The declaration of the Directors as to the amount of the net profits of the Company shall be conclusive.
125. The Directors, may, from time to time, pay to the members such interim dividends as in their judgement the position of the Company justified.

Division of profits

Capital paid up in advance at interest not to earn dividend

Dividends in proportion to amount paid up

The Company in General Meeting may declare a dividend

Powers of Directors to limit

Interim Dividend

126. The Directors may retain the dividends payable upon shares in respect of which any person is under Article 38 hereof entitled to become a member or which any person under that Article is entitled to transfer until such person shall become member in respect of such shares or shall duly transfer the same. Retention of dividends until completion of transfer under Transmission Clause.
127. Subjects to the provisions of the Act no member shall be entitled to receive payment of any interest or dividend in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares or otherwise howsoever either alone or jointly with any other person or persons; and the Directors may deduct from the interest or dividend payable to any member all sums of money so due from him to the Company. No member to receive dividend whilst indebted to the Company and Company's right of reimbursement thereout.
128. A transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer. Transfer of shares must be registered.
129. Unless otherwise directed any dividend may be paid by cheque or warrant sent through post to the registered address of the member or person entitled or in case of joint holder to that one of them first named in the Register in respect of the joint holding. Every such cheque shall be made payable to the order of the person to whom it is sent. The Company shall not be liable or responsible for any cheque or warrant lost in transmission or for any dividend lost to the member or person entitled thereto by the forged endorsement of any cheque or warrant or the fraudulent or improper recovery thereof by any other means. Dividend remitted how
130. Dividends unclaimed for one year after having been declared may be invested or otherwise used by the Directors for the benefit of the Company until claimed and all dividends unclaimed for three years after having been declared may be forfeited by the Directors for the benefit of the Company provided however, the Directors may at any time annual such forfeiture and pay any such dividend. Unclaimed dividend

131. Any General Meeting declaring a dividend may make a call on the members for such amount as the meeting fixes, but so that the call on each member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend, and the dividend may, if so arranged between the Company and the members, be set off against the calls.

Dividend and call together

132. Any General Meeting sanctioning or declaring a dividend in terms of these Articles may direct payment of such dividend wholly or in part, in any manner otherwise than in cash and in particular without prejudice to the generality of the foregoing by the distribution of specific assets or property of the Company, paid up shares, debentures or debenture stocks, bonds or other obligations of the Company, or in any one or more of such ways and the Directors shall give effect to such direction and where any difficulty arises in regard to the distribution they may settle the same as they think expedient and in particular may issue fractional certificates and may determine that cash payment shall be made to any member upon the footing of the value so fixed in order to adjust the rights of all parties and may vest any such specific assets, shares, debentures, debenture stock, bonds or other obligations of the Company in trustees upon such terms for the persons entitled to the dividend as may seem expedient to the Directors. Where requisite the Directors shall comply with Section 75 of the Act and the Directors may appoint any person to sign any contract thereby required on behalf of the person entitled to the dividend and such appointment shall be effective.

Special provisions in reference to dividend

ACCOUNTS

133. The Directors shall cause to be kept 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 such receipt and expenditure take place (b) all sales and purchases of goods by the Company and (c) the assets and liabilities of the Company. The books of accounts shall be

Accounts

kept at the Registered Office of the Company or such other place or places as the Directors think fit, and shall be open to inspection by the Directors during business hours.

134. The Directors shall from time to time determine whether and to what extent and at what time and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to the inspection of members not being Directors and no member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorized by the Directors or by the Company in General Meeting.
- Inspection by
members of accounts
and books of the
Company
135. The Board of Directors shall hold in each year a general meeting in accordance with Section 166 of the Act and shall at every annual general meeting, lay before the Company, a balance sheet as at the end of and a profit and loss account for the period specified below:
- Annual account and
balance sheet.
- (a) In the case of the first annual general meeting of the Company, the period beginning with the incorporation of the Company and ending with a day which shall not precede the day of the meeting by more than nine months.
- (b) In the case of any subsequent annual general meeting of the Company, the period beginning with the day immediately after the period for which the account was last submitted and ending with a day which shall not precede the day of the meeting by more than six months or in cases where an extension of time has been granted for holding the meeting under the section proviso to sub-section(1) of Section 166, by more than six months and the extension so granted.
136. The Directors shall 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 to be shown specifically in a subsequent balance sheet. The report shall be
- Annual Report of
Directors

signed by the Chairman of the Board of Directors on behalf of the Directors, if authorized in that behalf of the Directors, and when he is not so authorized, shall be signed by such number of Directors as are required to sign the balance sheet and the profit and loss account by virtue of sub-sections (1) and (2) of Section 215 of the Act.

137. The profit and loss account shall in addition to matters referred to in Section 211 of the Act, show arranged under the most convenient heads the amount of gross income, distinguishing the several sources from which it has been derived and the amount of gross expenditure, distinguishing the expenses of the establishment, salaries and other like matters. Every item of expenditure fairly chargeable against the year's income shall be brought into accounts 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, together with a statement of the reason why only a portion of such expenditure is charged against the income of the year.

Particulars in Profit and Loss Account

138. The Company shall send a copy of such balance sheet and the profit and loss account together with a copy of the Auditor's Report to the registered address of every member of the Company at least 21 days before the meeting at which it is to be laid before the members of the Company and a copy of the same shall be deposited at the Registered Office of the Company for the inspection of the members of the Company during the period of at least 21 days before that meeting.

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

139. After the balance sheet and the profit and loss account have been laid before the Company at the annual general meeting, there shall be filed with the Register separately, at the same time as the copy of the annual return referred to in Section 161 of the Act, three copies of the balance sheet and of the profit and loss account signed by the Managing Director, together with three copies of all documents which are required

Copies of Balance sheet etc. to be filed with Registrar

by the Act to be annexed or attached to such balance sheet or profit and loss account.

140. With regard to the Accounts of the Company the Directors shall comply with the provisions of Sections 209-222 of the Act or any statutory modification thereof for the time being in force.

Directors to comply with Section 209 to 233 of the Act.

141. Once at least in every year the accounts of the Company shall be balanced and audited and the correctness of the profit and loss account and balance sheet ascertained by one or more Auditor or Auditors.

Accounts to be Audited

142. (a) 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 his/their remuneration, rights and duties shall be regulated by Section 224 to 233 of the Act.

Appointment of Auditors

- (b) The Comptroller and Auditor General of India shall have power:

Power of the Comptroller and Auditor General

- (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 authorize in this behalf and for the purpose of such audit, to have access, at all reasonable times, to all accounts, Accounts Books, Vouchers, documents and other papers of the Company and to require information or additional information to be furnished to any person or persons and in such forms as the Comptroller and Auditor General may, by general or special order, direct;

(c) 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;

(d) Any such comment upon or supplement to the Audit Report shall be placed before the annual general meeting of the Company at the same time and in the same manner as the audit report.

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

Auditors' right to attend meetings

144. Every account when audited and approved by a General Meeting shall be conclusive except as regards any error discovered therein within three months after the approval thereof. Whenever any such error is discovered within that period the account shall forthwith be corrected and henceforth shall be conclusive.

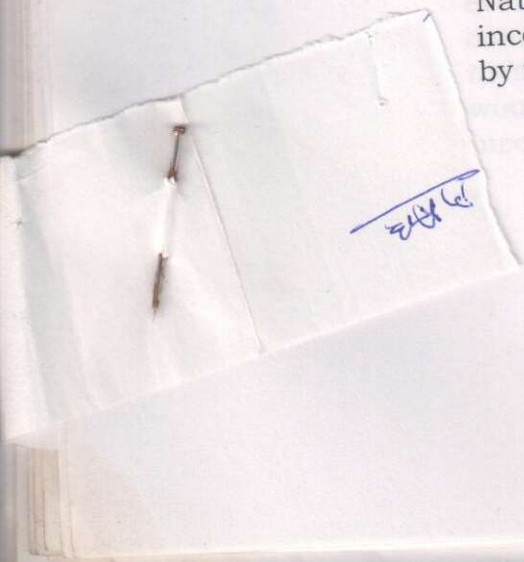
Accounts when audited and approved to be conclusive except as to errors discovered within three months

✓ 145. Notwithstanding anything contained in any of the these Articles the President may, from time to time, issue such directives or instructions as may be considered necessary in regard to the finances, conduct of business and affairs of the Company. The Company shall give immediate effect to the directives or instructions so issued.

Rights of the President to issue directives

145.2 "Provided that all the directives issued by the President shall be in writing addressed to the Chairman. The Board shall, except where the President considers that the Interest of the National Security required otherwise, incorporate the contents of directives issued by the President in the Annual Report of the

(Added in 26th AGM held on 29.12.1989)



Company and also indicate its impact on the financial position of the Company”.

NOTICES

- 146 (i) A notice (which expression shall be deemed to include and shall include any summons, notice, process, order, judgement or any other document in relation to or in the winding up of the Company) may be given by the Company to any member either personally or by sending it by post to him to his registered address or (if he has no registered address in the Union of India) to the address if any within the Union of India supplied by him to the Company for the giving of notices to him. Notice
- (ii) Where a notice is sent by post, the service of such notice shall be deemed to be effected by properly addressing, prepaying and posting letter containing the notice and unless the contrary is proved to have been effected at the time at which the letter would be delivered in the ordinary course of post.
147. A notice may be given by the Company to the persons entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a prepaid letter addressed to them by name or by the title of representatives of the deceased or assignee of the insolvent or by any like description at the address (if any) in the Union of India supplied for the purpose by the persons claiming to be so entitled or until such an address has been so supplied by giving the notice in any manner in which the same might have been given if the death or insolvency had not occurred. Notice on persons acquiring shares on death or insolvency of members
148. Notice of every General Meeting shall be given in some manner herein before authorized to (a) every member of the Company 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. Persons entitled to notice of General Meetings.

149. 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, shall have been duly given to the person from whom he derives his title to such share.
- Transferees bound by notices etc. prior
150. Subject to the previous of Act any notice or document delivered or sent by post to or left at the registered address of any member in pursuance of these Articles shall notwithstanding such member be then deceased and whether or not the Company have notice or his decease be deemed to have been duly served in respect of any registered share whether held solely or jointly with other persons by such member until some other person be registered in his stead as the holder or joint holder thereof and such service shall for all purposes of these presents be deemed a sufficient service of such notice or document on his or her heirs, executors or administrators and all persons, if any, jointly interested with him or her in any such shares.
- Notice valid for member deceased
151. Any notice to be given by the Company shall be signed by such Director or officer as the Directors may appoint and such signature may be written, printed or lithographed.
- Notice by the Company and signature thereto.

WINDING UP

152. If the Company shall be wound up, and the assets available for distribution among the members as such shall be insufficient to repay the whole of the paid-up capital, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the members in proportion to the capital paid-up, or which ought to have been paid-up, at the commencement of the winding up, on the shares held by them respectively. And if in winding up the assets available for distribution among the members shall be more than sufficient to repay the whole of the capital paid-up at the commencement of the winding up, the excess shall be distributed amongst the members in proportion to the
- Distribution of assets

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.

SECURITY CLAUSE

153. No member shall be entitled to visit or inspect the Company's Works without the permission of a Director or to require discovery of or any information respecting any detail of the Company's trading or any matter which is or may be in the nature of a trade secret mystery or trade or secret process which may relate to the conduct of the business of the Company and which in the opinion of the Directors it will be inexpedient in the interest of the members of the Company to communicate to the public.

Secrecy Clause

INDEMNITY AND RESPONSIBILITY

154. (i) Subject to the provisions of the Section 201 of the Act, every Director, Manager, Secretary and other officer or employee of the Company shall be indemnified by the Company against and it shall be the duty of the Directors out of the Funds of the Company to pay all costs, losses and expenses (including travelling expenses) which any such Director, Manager, Officers or employees may incur or become liable to by reason of any contract entered into or act or deed done by him or them as such Directors, General Manager, Manager, Officer or servant or in any other way in the discharge of his duties and the amount for which such indemnity is provided shall immediately attach as lien on the property of the Company and have priority as between the members over all other claims.

Directors' and others' right to indemnity

- (ii) Subject as aforesaid every Director, Manager, Officer or (with the consent of the Directors) Auditors of the Company shall be indemnified against any liability incurred by him or them in defending any proceeding whether civil or criminal in which judgement is given in his or their favour or in which he or they are acquitted or in

connection with any application under Section 633 of the Act in which relief is given to him or them by the Court.

155. Subject to the provisions of Section 201 of the Act no Director, Manager, or other Officer, of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or Officer, or for joining in any receipt of other act of conformity or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property required by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, Company or Corporation, with whom any moneys, securities or effects shall be entrusted or deposited or for any loss occasioned by an error of judgement or oversight on his or their part, or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his or their office or in relation thereto, unless the same happen through his own dishonesty.

Not responsible for
acts of others

Name of the subscribers	Address	Number of shares taken	Witness to Signature
(A.D. Pandit) Special Secretary to the Government of India in the Department of Agriculture of the Ministry of Food & Agriculture and Vice-President, Indian Council of Agriculture Research for and on behalf of the President of India.	Indian Council of Agricultural Research	One	
(J.S. Patel) Agricultural Commissioner with the Government of India.	-do-	One	
New Delhi, Dated this			day of

True Copy

मो. राक़िम / MOHD. RAQUIM
कम्पनी सचिव/Company Secretary
राष्ट्रीय बीज निगम लिमिटेड/NSC Limited
बीज भवन, पुसा/Beej Bhawan, Pusa
नई दिल्ली/New Delhi-110012