



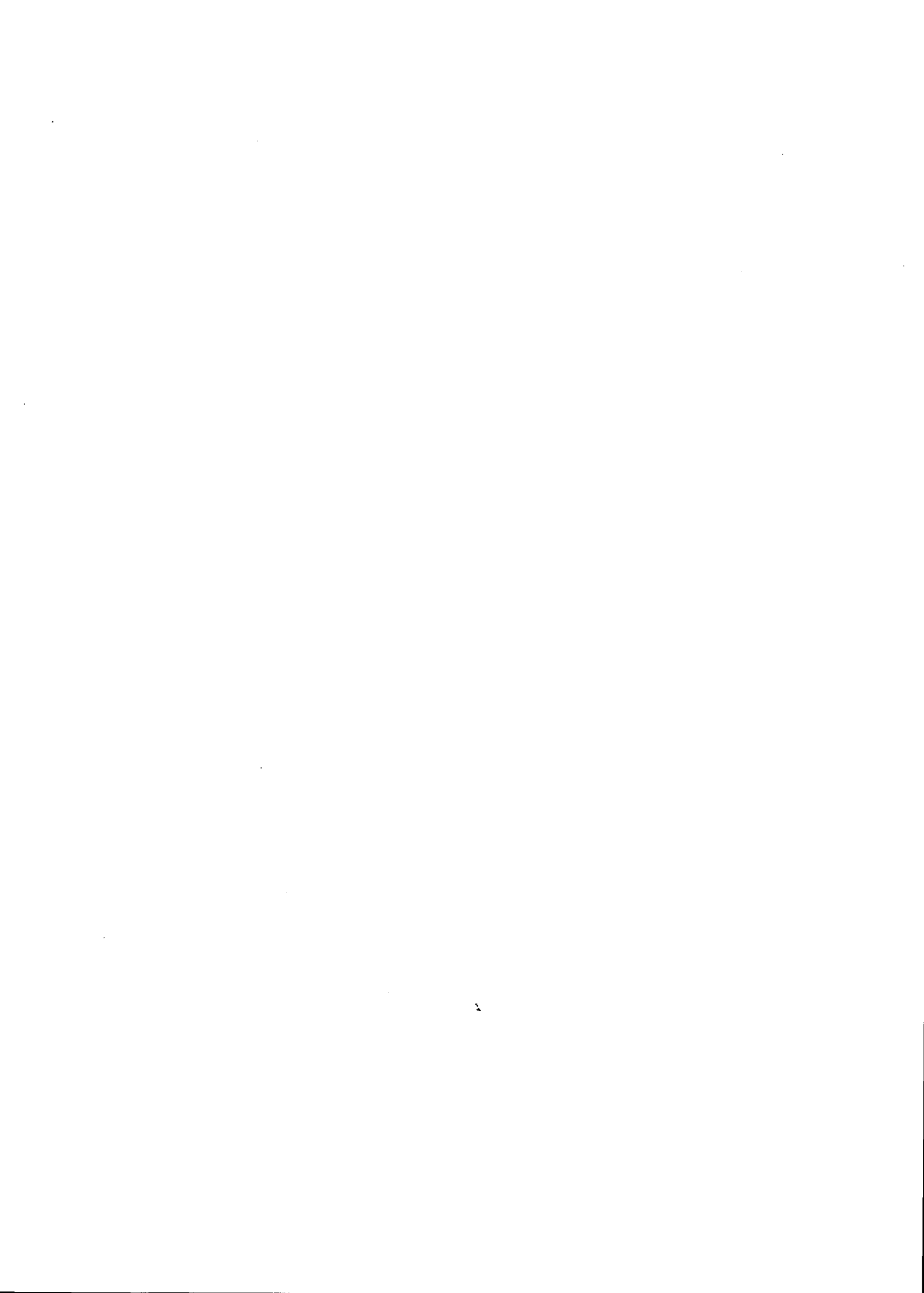
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MEMORANDUM  
AND  
ARTICLES OF ASSOCIATION  
OF  
**MANGALORE REFINERY AND  
PETROCHEMICALS LIMITED**  
UPDATED AS ON 13<sup>th</sup> SEPTEMBER, 2014

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प्रमाणित प्रति / CERTIFIED TRUE COPY  
कृते मंगलूर रिफायनरी एण्ड पेट्रोकेमिकल्स लि.  
For Mangalore Refinery & Petrochemicals Ltd.

  
दिनेश मिश्रा / Dinesh Mishra  
कम्पनी सचिव / Company Secretary





Co. No. 8959

कारबार प्रारम्भ करने के लिए प्रमाणपत्र  
Certificate for Commencement of Business

कम्पनी अधिनियम, 1956 की धारा 149 (3) के अनुसार  
Pursuant of Section 149 (3) of the Companies Act, 1956.

मैं यहाँ द्वारा प्रमाणित करता हूँ कि.....

जो कम्पनी अधिनियम, 1956 के अधीन तारीख.....को गठित की गई थी और जिसने आज विहित प्रश्न में सम्पूर्ण रूप से संतुष्ट घोषणा पत्र प्रस्तुत कर दी है कि उक्त अधिनियम की धारा 149(1) (क) से लेकर (घ) तक/149(2) (क) से लेकर (घ) तक की शर्तों का अनुपालन किया गया है, कारबार प्रारंभ करने की हथकड़ी है।

I hereby certify that the...Mangalore Refinery And Petro-chemicals Limited...XX...XX

which was incorporated under the Companies Act, 1956, on the...Seventh...day of...March...19 88, and which has this day filed a duly verified declaration in this prescribed form that the conditions of section 149(1) (a) to (d)/149(2)(a) to (c) of the said Act, have been complied with is entitled to commence business.

पेरे हस्ताक्षर के माध्यम से जारी किया गया।

Given under my hand at...Bangalore...this...Second...day of...August...One thousand nine hundred and Eighty eight.

J. K. RAMANI  
Registrar of Companies  
Karnataka, Bangalore



पंजीकृत (C-10) 10 गुण... 76-77-मादपुटे-(वि-275)-29-7-70-7,000.  
GIPK-269-19 Genl-77-GIPK-(C-275)-29-7-76-1,000.

.....



सत्यमेव जयते

प्रारूप आई. आर.

Form I. R.

निगमन का प्रमाण-पत्र

## CERTIFICATE OF INCORPORATION

ता. .... का से. ....

No. 08/08959 ..... of 1988 .....

के द्वारा प्रमाणित करता हूँ कि आज .....

कम्पनी अधिनियम 1956 (1956 का 1) के अधीन निगमित की गई है और यह कम्पनी परिसीमित है।

I hereby certify that **MANGLORE REFINERY AND PETROCHEMICALS LIMITED**

is this day incorporated under the Companies Act. 1956 (No. 1 of 1956) and that the company is limited.

मेरे हस्ताक्षर से आज ता. .... को दिया गया।

Given under my hand at BANGALORE this Seventh day of March one thousand nine hundred and Eighty-Eight.

The Seal of  
The Registrar of Companies  
KARNATAKA, BANGALORE

Sd/-  
(J.K. Ramani)  
कम्पनियों का रजिस्ट्रार  
कर्नाटक, बंगलोर  
Registrar of Companies  
KARNATAKA, BANGALORE



# MEMORANDUM OF ASSOCIATION

AND

## ARTICLES OF ASSOCIATION

OF

### MANGALORE REFINERY AND PETROCHEMICALS LIMITED

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123456  
789012

THE COMPANIES ACT, 1956  
PUBLIC COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION  
OF  
MANGALORE REFINERY AND PETROCHEMICALS LIMITED

- |  | <b>Name</b>              |
|--|--------------------------|
| I. The name of the Company is MANGALORE REFINERY AND PETROCHEMICALS LIMITED  |                          |
| II. The Registered Office of the Company will be situated in the State of Karnataka  | <b>Registered Office</b> |
| III. The objects for which the Company is established are :-   | <b>Objects</b>           |
| A. The main objects of the Company to be pursued by the Company on its incorporation :   |                          |
| (1) To purchase or otherwise acquire crude oils and manufacture, refine, treat, reduce, distil, blend, smelt, store, hold, compress, bottle, pack, use, experiment with, exchange, transport, import, export, dispose of and generally deal in : (i) all kinds of petroleum and petroleum products except marketing of such formula petroleum products as are governed by the administered price scheme of the Government of India from time to time in force and are marketed and distributed through the public sector oil corporations. (ii) Petrochemical products such as Ethylene, Propylene, Butadiene which shall be directly marketed by the Company.   |                          |
| (2) To adopt and carry into effect, as far as the Company is concerned the agreement entitled "Memorandum of Understanding" and dated the 26 <sup>th</sup> June, 1987 including any modifications thereto expressed to be made between the President of India of the First Part, Hindustan Petroleum Corporation Limited, a Government Company registered under the Companies Act, 1956 and having its Registered Office at 17, Jamshedji Tata Road, Bombay- 400020, of the Second Part and Indian Rayon and Industries Limited, a Company Registered under the Companies Act, 1956 and having its Registered Office at Veraval, Junagadh, of the Third Part for the implementation and operation of an Oil Refinery at Mangalore. |                          |
| B. The Company shall also be entitled to carry on all or any of the following objects as being incidental or ancillary to the attainment of the main objects specified in Clause A hereof :  |                          |
| (3) To negotiate, enter into agreements and contracts with companies, firms and individuals both domestic and foreign for technical assistance, knowhow and collaboration for achieving all or any of the objects set out under main and other objects of this Company.  |                          |
| (4) To obtain from any person, firm or body corporate, whether in India or elsewhere, technical information, formulations, knowhow, processes, layout, blue prints and expert advice or financial accommodation for erection of plant and machinery, production, manufacture or marketing of any product hereinabove mentioned   |                          |

and to pay to or to the order of such firm, company, body corporate, government authority or person any fee, royalty, bonus, remuneration or issue shares in lieu thereof or otherwise compensate them in any other manner for the services rendered by them.

- (5) To acquire by purchase, lease, contract, concession or otherwise any and all real estate, lands, land patents, options, grants, concessions, franchises, water and other rights, privileges, easements, estates, interests, properties and reserves of every kind and description, buildings, flats, machinery, plants, vehicles, stock in trade, furniture, fixtures and whatsoever which the Company may deem necessary or appropriate in connection with the conduct of any business enumerated in this Memorandum of Association, or of any other business in which the Company may lawfully engage or which may enhance the value of any other property of the Company and to own, hold, operate, improve, exploit, reorganise, manage, grant, lease, sell, exchange or otherwise dispose of the whole or any part thereof.
- (6) To purchase, drill for, or otherwise acquire and to use, store, Transport distribute, sell or otherwise dispose of water, and to acquire by purchase, lease or otherwise and to erect, construct, enlarge, own, hold, maintain, use and operate water works, reservoirs, dams, canals, water ways, and water systems for supplying water and water power for any and all uses and purposes as herein mentioned.
- (7) To purchase or otherwise acquire, assemble, install, construct, equip, repair, remodel, maintain, operate, hold, own, lease, rent, mortgage, sell, convey, or otherwise dispose of any and all kinds of refineries, petrochemical plants, gas works, installations, plants, shops, laboratories, pipelines, pumping stations, tanks, repair shops, power houses, warehouses, terminals, office buildings and other buildings and structures, cars, railroad equipment, garages, motor and road equipment, telephones and telegraph lines, transmission lines, wireless facilities, bridges, ports, docks, piers, wharves, marine equipment, steamers, tankers, tugs, barges and other vessels, and such other machinery, apparatus, instruments, fixtures and appliance in so far as the same may appertain to or be useful in the conduct of the business of the Company.
- (8) To purchase, create, generate, or otherwise acquire, use, or otherwise dispose of, electric current and electric, steam and water power of every kind and description, and to supply or otherwise dispose of light, heat and power of every kind and description.
- (9) Subject to the provisions of the Act and the Regulations in force for the time being, if any, in this behalf, to receive money as deposit or loan and borrow or raise money in such manner as the Company shall think fit by promissory notes, bills of exchange,



hundies, and other negotiable or transferable instruments or by issue of Debentures (perpetual or otherwise) and to secure the repayment of any money borrowed, raised or owing by mortgage, charge, hypothecation, pledge or lien upon all or any of the Company's property or assets (both present and future), movable and immovable including its uncalled capital upon such terms as the Directors may deem expedient. And also by a similar mortgage, charge, or lien to secure and guarantee the performance by the Company or any other person or company of any obligation undertaken by the Company or any other person or company as the case may be.

- (10) To lend and advance money or give credit 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 in the ordinary course of business, and to guarantee the performance of any contract or obligation and the payment of money of or by any such persons or companies and generally to give guarantees and indemnities.
- (11) To acquire or issue and use, deal in and pledge, deposit, mortgage, transfer, assign, sell or negotiate mercantile documents of every kind and description and without prejudice to this generality to draw, make, accept, endorse, discount, execute, issue, negotiate and assign cheques, drafts, bills of exchange, promissory notes, hundies, debentures, bonds, bills of lading, railway receipts and other negotiable or transferable instruments or securities, and to purchase, sell, endorse and surrender or renew any Government Promissory Notes or other securities of the Government of India and/or any other Government; but not to carry on banking business as defined under the Banking Regulation Act, 1949
- (12) To invest the funds of the Company not immediately required, in any manner from time to time, in such assets, properties, securities, shares, bullion, specie or investments or otherwise deal therewith as may, from time to time, be determined by the Board of Directors and sell or vary all such investments and to execute all assignments transfers, receipts and documents that may be necessary in that behalf,
- (13) To open current, fixed, overdraft or other accounts with any Bank or Bankers and to pay into and to draw moneys from such accounts from time to time.
- (14) To pay out of the funds of the Company all expenses which the Company may lawfully pay with respect to the formation and registration of the Company or the issue of its capital, including brokerage and commissions for securing applications for or taking, placing or underwriting or procuring the underwriting of shares, debentures, or other securities of the Company.

- (15) Upon and for the purpose of any issue of shares, debentures or any other securities of the Company, to enter into agreement with brokers, including managers of issue, commission agents and underwriters, and to provide for the remuneration of such persons for their services by way of payment in cash or issue of shares, debentures or other securities of the Company, or by granting options to take the same or in any other manner permitted by law.
- (16) To apply for and acquire, hold, sublet and transfer or surrender permits, licences, certificates and quota rights from, the Government of India or from State Governments or from Foreign Governments to import and export plants, equipments, and spare parts thereof, and such other machinery, raw materials, intermediates, finished products and processing materials connected with the manufacturing and selling of the products of the Company.
- (17) To obtain orders or certificates from any authority to carry any of its objects into effect or for effecting any modification to the Company's Memorandum of Association or for any another purpose which may seem expedient and to oppose any proceedings or applications which may seem calculated directly or indirectly, to prejudice the Company's interest.
- (18) To acquire and take over all or any part of the business, goodwill, property and other assets, and to assume or Undertake the whole or any part of the liabilities and obligations of any person, firm, association or body corporate carrying on a business which the Company is authorised to carry on, or possessed of property suitable for any purpose of the Company, and to pay for the same in cash, shares, stocks, debentures or bonds of the Company, or otherwise; and to hold, manage, operate, conduct and dispose of, in any manner, the whole or any part of any such acquisitions and to exercise all the powers necessary or convenient in and about the conduct and management thereof.
- (19) Subject to the provisions of the Act and the Regulations in force for the time being to merge, consolidate and amalgamate or enter into any arrangement for sharing profits, union of interest, co-operation, joint ventures, or reciprocal concessions, or enter into Partnership with any person or firm carrying on or engaged in or about to carry on or engaged in any business or transaction which, the Company is authorised to carry on or engage in or which can be carried on in conjunction herewith or which is capable of being conducted so as to directly or indirectly benefit the Company.
- (20) Subject to the provisions of the Act and any other Statutory Regulations in force for the time being in this behalf, to acquire by purchase, subscription, exchange or otherwise and to own, hold for investment or otherwise and to sell, assign, transfer, exchange,

mortgage, pledge or otherwise dispose of, shares of and / or bonds, mortgages, securities and evidences of indebtedness, and other obligations, issued or created by, any corporate body or bodies organised under the laws of the Union of India or any other country, state or government, and while the holder or owner thereof, to exercise all the rights, powers and privileges of ownership and to issue in exchange thereof, in the manner permitted by law, shares, bonds or other obligations of the Company, or to make payment therefor by any other lawful means whatsoever.

- (21) To apply for, obtain, register, purchase, lease, take licence or otherwise to acquire, and to hold, protect, own, use, renew, exercise, develop, operate and introduce, and to sell, assign, grant licences or territorial rights in respect of, or otherwise turn to account of dispose of in any part of the world, any copyrights, trade marks, trade names, brands, labels, patents, patent right, brevets d'invention, designs or inventions, improvements or processes used in connection with or secured under letters patent of the Union of India or of any other country or government or otherwise, in relation to any of the purposes herein stated; and to acquire, use, exercise or otherwise turn to gain licences in respect of any such trade marks, trade names, brands, labels, patents, inventions, processes and the like, or any such property or rights, and to expend moneys in experimenting upon, testing or improving any such patents, inventions or rights.
- (22) Subject to the provisions of the Act, to aid by loan, guarantee, subsidy or in any manner whatsoever, any corporate body or association, domestic or foreign; any Shares, or bonds or other securities or evidences of indebtedness of which shall be held by or for the Company or in which, or in the welfare of which, the Company shall have any interest; to do any acts or things designed to protect, preserve, improve or enhance the value of any such shares, bonds or other securities or evidences of indebtedness or the property of the Company, and in connection with any such purpose to guarantee or become surety for the performance of any obligation or undertaking of such corporate body or association and to do any and all such further acts and things as may be designed to accomplish any such purpose.
- (23) To insure any of the persons, properties, undertaking, contracts, guarantee or obligations or profits of the Company of every nature and kind in any manner whatsoever, with any person, firm, association or Company.
- (24) To act as agents, Trustees for any person or Company and to undertake and perform contracts and to do all or part of the above things in any part of the world either as principals, agents, trustees, contractors, or otherwise, either alone or jointly with others, either by or through agents, sub-contractors, trustees or otherwise.

- (25) To alter, manager, develop, exchange, lease, mortgage, underlet, sell, give, deliver or otherwise dispose of, improve or deal with the land, property, assets and rights and resources and undertaking of the Company or any part thereof for such consideration as the Company may think fit and in particular for Shares, Debentures, or securities of any other Company having objects altogether or in part similar to those of this Company.
- (26) To act as buying and selling agents and to do and perform the several duties, services and to undertake, and to become bound by conditions of any agreement entered into for any purpose, in connection with the Company's business.
- (27) To carry on, whether in India or anywhere else in the world any business or branch of a business which this Company is authorised to carry on by means, or through the agency or any subsidiary Company or Companies and to enter into any arrangement with such subsidiary Company for sharing the profits and bearing the losses, if any, of the business or branch so carried on, or for financing any such subsidiary Company or guaranteeing its liabilities or to make any other arrangement which may seem desirable with reference to any business or branch so carried on, including power at any time to either temporarily or permanently to close any such branch or business.
- (28) Subject to the provision of the Act, to make contributions to such persons or institutions as may be thought directly or indirectly conducive to any of the Company's objects or otherwise expedient and also to subscribe, contribute, or otherwise assist or guarantee money for charitable objects or institutions having scientific, religious or benevolent, national, cultural or educational objects or objects of general public utility.
- (29) To aid pecuniarily or otherwise, any association, body or movement having for an object the solution, settlement or surmounting of industrial or labour problems or troubles or the promotion of industry or trade.
- (30) To purchase and acquire secret processes, methods and formulae in connection with any of the objects of the Company and specifications and designs for the apparatus and equipment related thereto and to pay for the same by the allotment of fully paid shares of the Company or in any other way under agreement or agreements for that purpose.
- (31) To establish, provide, maintain and conduct or otherwise subsidise research laboratories and experimental workshops for scientific and technical research and experiments and to undertake scientific and technical researches, experiments and tests of all kinds and to promote studies and researches, both scientific and technical, investigations and inventions by providing, subsidising,

endowing or assisting laboratories, workshops, libraries, lectures, meetings, exhibitions and conferences and by providing for the remuneration of scientists, technicians, scientific or technical professors or teachers and by providing for the award of scholarships, prizes and grants to students or otherwise and generally to encourage, promote, and reward studies, researches, investigations, of any kind that may be considered likely to assist any of the businesses which the Company is authorised to carry on.

- (32) To distribute among the members in specie any property of the Company or any proceeds of the sale or disposal of any property of the Company but so that no distribution amounting to a reduction of capital be made except with the sanction (if any) for the time being required by law.
- (33) To establish and support funds and institutions calculated to benefit employees or ex-employees of the Company or the dependents of such employees, and to grant pensions and allowances.
- (34) To lay out and prepare any lands for any kind of athletic sports and for the playing of such sports or other kind of amusement or entertainment and to construct stands and other buildings and conveniences for use in connection therewith.
- (35) To institute, conduct, defend, compound, or abandon any legal proceedings, by or against the Company or its officers or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts due, or of any claims or demands by or against the Company, and to refer any claims or demands by or against the Company or any differences to arbitration and observe and perform any awards made there on.
- (36) To do all or any of the above things in, any part of the world, and either as principals, agents, trustees, contractors or otherwise and either alone or in conjunction with others and either by or through agents, sub-contractors, trustees or otherwise.

C. Other Objects:

- (37) To manufacture, process, produce, convert, buy, sell, acquire, import, export and generally deal in the following :
  - (a) all petrochemicals and derivatives, co-products, by products, waste products thereof, whether liquid, solid or gaseous;
  - (b) polymers, elastomers and copolymer formulations;
  - (c) polymer processing chemicals of all types and for all purposes;
  - (d) reclaimed rubber and synthetic rubber of all types, grades, forms and copolymer formulations;
  - (e) solvents of all types, grades and formulations;
  - (f) synthetic detergents and detergent intermediates of all types and surface active agents;
  - (g) pesticides, micronutrients and related intermediates of all types and formulations; and
  - (h) refrigerants of all types.

**AND IT IS HEREBY DECLARED THAT :**

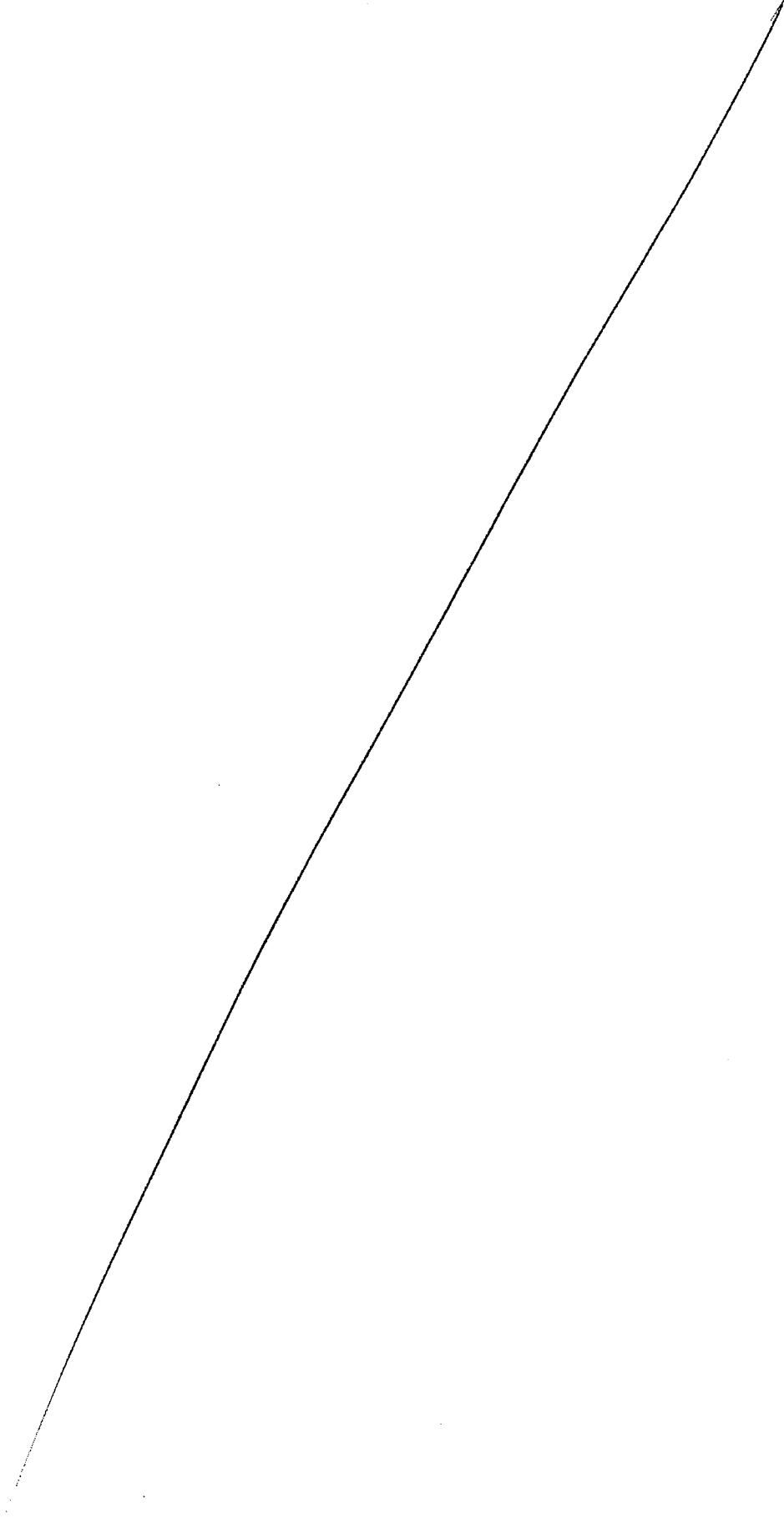
- (a) The objects incidental or ancillary to the attainment of the main objects of the Company as aforesaid shall also be incidental or ancillary to the attainment of the other objects of the Company herein mentioned;
- (b) The word "Company" (save when used with reference to the Company) in this Memorandum of Association shall be deemed to include any individual, any partnership or other body or association of persons whether incorporated or not and wherever domiciled;
- (c) The objects set forth in each of the several clauses of paragraph C shall have the widest possible construction and shall extend to any part of the world;
- (d) Subject to the provisions of the Companies Act, 1956, the objects set forth in any clause of sub-paragraph C above shall be independent and shall in no way be limited or restricted by reference or inference from the terms of any of the clauses of sub-paragraph A or by the name of the Company. None of the clauses in sub-paragraph C or the objects therein specified or the powers thereby conferred shall be deemed subsidiary or ancillary merely to the objects mentioned in any of the clauses of sub-paragraph A;
- (e) Nothing in this paragraph shall authorise the Company to do any business which may fall within the purview of the Banking Regulation Act, 1949, or the Insurance Act, 1938; and
- (f) The other objects set forth under sub-paragraph C hereinabove shall be pursued by the Company only after complying with the provisions of Section 149 of the Companies Act, 1956 and after obtaining prior approval of the Central Government in the Ministry of Petroleum and Natural Gas and/or the Administrative Ministry in charge for the time being of refining and marketing of petroleum and chemical products.

**IV. The liability of the members is limited****Liability**

- \*V. The Authorized Share Capital of the Company is ₹ 30,00,00,00,000/- (Three Thousand Crores) divided into 290,00,00,000 (Two hundred and Ninety Crore) Equity Shares of ₹ 10/- each and 10,00,00,000 (Ten Crore) Redeemable Preference Shares of ₹ 10/- each with power to increase or reduce the capital of the Company and to divide the shares in the Capital for the time being into several classes and to attach there to respectively such preferential, qualified or special rights, privileges and conditions, as may be permissible at law and/ or 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 for the time being be provided by the Articles of Association of the Company.

**Capital**

ix



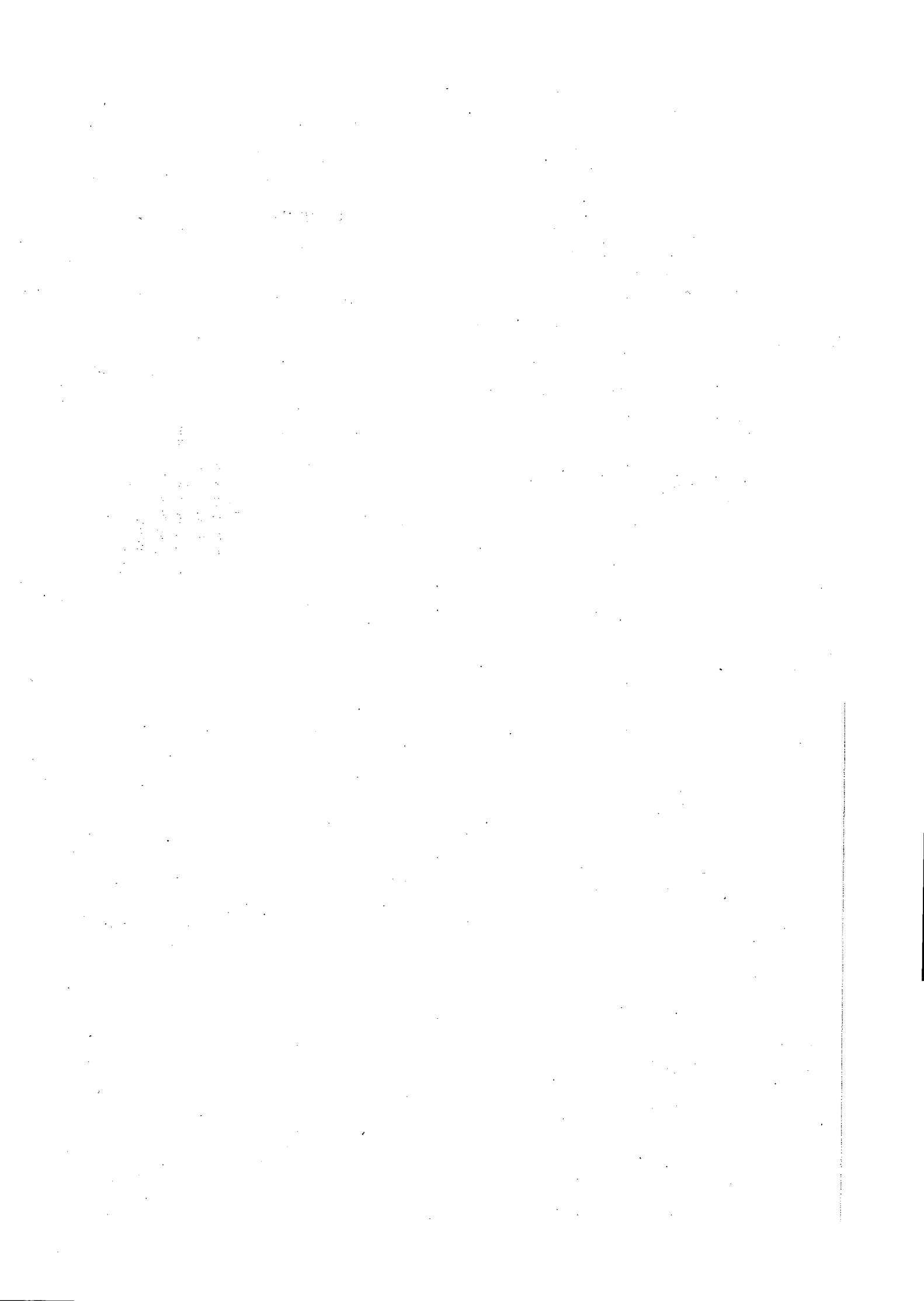
We, the several persons, whose names and addresses are subscribed below, are desirous of being formed into a Company, in pursuance of this Memorandum of Association and we respectively agree to take the number of Shares in the Capital of the Company set opposite our respective names :-

Name, address, description and occupation of each Subscriber	Number of Equity Shares taken by each subscriber	Signature of Subscriber	Signature, name, address, description and occupation of witness
1	2	3	4
Mohinder Kumar Bagai Son of Late Shri Manoharlal Bagai 5, Shangrila 27, Carmichael Road Bombay - 400 026 Service - Chairman and Managing Director, HPCL., Bombay	50 Fifty	Sd/- M. K. Bagai	Sd/- N. R. Narayanan Son of N. N. Ranganathan 13/76, Uma Sadan, M. D. S. Marg Chembur, Bombay - 400 071 Service - Company Secretary HPCL, Bombay.
Narandas Dayalal Nagrecha Son of late Shri Dayalal Nagrecha 5, Silver Oaks Estate Bhulabhai Desai Road Bombay - 400 026 Service Director (Finance) HPCL., Bombay	50 Fifty	Sd/- N. D. Nagrecha	
Narayan Vithal Paranjpe Son of late Shri Vithal Paranjpe 7-A, Commonwealth Building, 181, Backbay Reclamation, Bombay - 400 020 Service - Director (Marketing) HPCL, Bombay	50 Fifty	Sd/- N. V. Paranjpe	
Gurukumar Ramrao Raote Son of late Shri Ramrao S. Raote Ranjini, 1 <sup>st</sup> Floor Plot No.539, 11 <sup>th</sup> Road Chembur, Bombay - 400 071 Service - Director (Production) HPCL, Bombay.	50 Fifty	Sd/- G. R. Roote	
Ranajit Mohan Bardhan Son of Niranjan Mohan Bardhan Bungalow No.4, H. P. Nagar East, Mahul Chembur, Bombay - 400 074. Service-General Manager, Corporate Planning & Projects, HPCL, Bombay	50 Fifty	Sd/- R. M. Bardhan	



Mahesh Chandra Bagrodia Son of Shri Kesardeo Bagrodia B-2, 15 <sup>th</sup> Floor, Prithvi Apartments Altamount Road Bombay - 400 026 Service - Company Executive	50 Fifty	Sd/- M. C. Bagrodia	Sd/- R. K. Saraswai Son of Shri Kurnilal 6-A, Asian Assurance Building Mannala Tank Road Shivaji Park, Bombay - 400 016 Business Executive.
Gopi Krishna Tulsian Son of late Shri Laxmi Narayan Tulsian 301, Pradeep Worli, Hill Estate, Worli, Bombay - 400 018 Service - Business Executive	50 Fifty	Sd/- G. K. Tulsian	
Sushilkumar Saboo Son of Madanlal Saboo 44, Satnam Apartments 93, Cuffe Parade, Colaba Bombay - 400 005 Service - Business Executive	50 Fifty	Sd/- S. K. Saboo	
Vinod Kumar Saraf Son of Shri Banwarilal Saraf B-105, Sun Swept Lokhandwala Complex Four Bungalow Andheri (West) Bombay - 400 058 Service - Company Executive	50 Fifty	Sd/- V. K. Saraf	
Bachh Raj Nahar Son of Late Shri Bagmal 11/2 Chemical Division Staff Colony Birlagram, Nagda - 456 331 Service - Business Executive	50 Fifty	Sd/- B. R. Nahar	
<b>Total</b>	500 Five Hundred		

Bombay dated 15<sup>th</sup> day of February, 1988.



**THE COMPANIES ACT, 1956**  
**PUBLIC COMPANY LIMITED BY SHARES**  
**ARTICLES OF ASSOCIATION**  
**OF**  
**MANGALORE REFINERY AND PETROCHEMICALS LIMITED**

**TABLE 'A' EXCLUDED**

1. The regulations contained in Table 'A' in the First Schedule to the Companies Act, 1956, except so far as they are herein embodied, shall not apply to this Company, but the regulations for the management of the Company and for the observance of the members thereof and their representatives shall, subject to any exercise of the statutory powers of the Company in reference to the repeal or alteration of, or any other statutory modifications thereof be such as are contained in these Articles.

Table 'A' not to apply.

**INTERPRETATION**

2. In the interpretation of these Articles the following words and expressions shall have the following meanings, unless repugnant to the subject or context thereof :-

Interpretation Clause

"The Company" or "this Company" means Mangalore Refinery and Petrochemicals Limited.

"The Company" or "this Company".

"The Act", or "the said Act" means "The Companies Act, 1956" as amended upto date or any statutory modifications or re-enactment for the time being in force in India.

"The Act" or "The said Act"

"The Auditor" or "the Auditors" means the Auditor or Auditors of the Company appointed in pursuance of the provisions of Section 224 of the Act.

"Auditors"

"The Articles" mean the Articles of Association of the Company as originally framed or as amended from time to time in accordance with the provisions of the Act.

"The Articles"

"The Board" or "the Board of Directors" means a meeting of the Directors duly called and constituted or, the Directors assembled at a Board, or the requisite number of Directors acting by a circular resolution in accordance with these Articles, or the Directors of the Company collectively.

"The Board or "the Board of Director"

"Beneficial Owner" shall have the meaning assigned thereto in Section 2 of the Depositories Act, 1996.

"Beneficial Owner"

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

"Capital"

<p>"Depositories Act" shall mean the Depositories Act, 1996 and includes where the context so admits, any re-enactment or statutory modification thereof for the time being in force.</p>	<p><b>"Depositories Act"</b></p>
<p>"Depository" shall have the meaning assigned thereto by Clause(c) of Sub-section(1) of section 2 of the Depositories Act.</p>	<p><b>"Depository"</b></p>
<p>"Directors" - means the Directors for the time being of the Company or as the case may be, the Directors assembled at a Board.</p>	<p><b>"Directors"</b></p>
<p>"Dividend" - includes bonus.</p>	<p><b>"Dividend"</b></p>
<p>Words importing the masculine gender also include the feminine gender.</p>	<p><b>"Gender"</b></p>
<p>"In Writing" and "Written" - include printing, lithography and other modes of representing or reproducing works in a visible form.</p>	<p><b>"In Writing and Written"</b></p>
<p>"HPCL" - means Hindustan Petroleum Corporation Limited, a Government of India undertaking incorporated in India under the Companies Act, 1956 with its Registered Office located at Petroleum House, 17, Jamshedji Tata Road, Mumbai-400020 in the State of Maharashtra, and includes its successors and permitted assigns.</p>	<p><b>"HPCL"</b></p>
<p>"Member(s)" or "Shareholder(s)" - unless otherwise provided, means the duly registered holder, from time to time of the shares of the Company and includes the subscribers to the Memorandum of Association of the Company and also every person holding Equity Share(s) of the Company as also one whose name is entered as beneficial owner of the shares in the records of the Depository.</p>	<p><b>"Member(s)" or "Shareholder(s)"</b></p>
<p>"Meeting" or "General Meeting" - means a meeting of Members.</p>	<p><b>"Meeting" or "General Meeting"</b></p>
<p>"Annual General Meeting" - means a General meeting of the Members held in accordance with the provisions of the Act.</p>	<p><b>"Annual General Meeting"</b></p>
<p>"Extraordinary General Meeting" - means a General Meeting of the Members other than Annual General Meeting which is duly called and constituted and any adjourned holding thereof.</p>	<p><b>"Extraordinary General Meeting"</b></p>
<p>"Lenders shall mean Banks and Financial Institutions, namely, ICICI Bank Limited, State Bank of India, Industrial Development Bank of India, IFCI Ltd., Industrial Investment Bank of India Ltd., State Bank of Hyderabad, Bank of Baroda, Bank of India, Punjab National Bank, Vijaya Bank, Canara Bank, Corporation Bank and United Bank of India; and any other bank(s) and or PFIs subsequently agreeing to participate in the debt restructuring process of the Company and which are thereby becoming members of the Company."</p>	<p><b>"Lenders"</b></p>

"Month" - means a calendar month.	<b>"Month"</b>
"Office" - means the Registered Office for the time being of the Company.	<b>"Office"</b>
"ONGC means the Oil and Natural Gas Corporation Limited, a Government of India Undertaking duly incorporated under the provisions of the Companies Act, 1956 and having its Registered Office at 8 <sup>th</sup> Floor, Jeevan Bharati, Towers II, 124, Connaught Circus, New Delhi - 110 001 in the National Capital Territory Region of Delhi and includes its subsidiaries, affiliates, successors and permitted assigns."	<b>"ONGC"</b>
"Paid-up" - in relation to shares includes credited as paid-up.	<b>"Paid-up"</b>
"Persons" - includes corporations, firms as well as individuals.	<b>"Persons"</b>
"The President" means the President of India.	<b>"The President"</b>
"Proxy" - means the person appointed in pursuance of the provisions of Section 176 of the Act.	<b>"Proxy"</b>
"Register of Members" - means the Register of Members kept pursuant to Section 150 of the Act.	<b>"Register of Members"</b>
"The Registrar" - means the Registrar of Companies of the state in which the Registered Office of the Company is situated and includes Additional, Joint, Deputy or Assistant Registrar of Companies.	<b>"The Registrar"</b>
"Secretary" - includes a Temporary or Assistant Secretary and any person possessing the qualifications prescribed for the time being by or under the Act and appointed by the Board to perform any of the duties of a secretary and any other ministerial or administrative duties,	<b>"Secretary"</b>
"Seal" - means the Common Seal for the time being of the Company.	<b>"Seal"</b>
"Share" - means share in the Share Capital of the Company, and includes stock except where a distinction between stock and shares is expressed or implied	<b>"Share"</b>
"SHA means the Shareholders' Agreement dated 3 <sup>rd</sup> March, 2003 signed between HPCL and ONGC."	<b>"SHA"</b>
Words importing the singular number include, where the context admits or requires, the plural number and vice versa.	<b>"Singular Number"</b>
"Special Resolution" shall have the meaning assigned thereto by the provisions of the Act.	<b>"Special Resolution"</b>
"Year" - means the calendar year and "Financial Year" shall have the meaning assigned thereto by Section 2(17) of the Act.	<b>"Year" and "Financial Year"</b>
The "Marginal Notes" used in these Articles shall not affect Construction hereof	<b>"Marginal Notes"</b>

Save as aforesaid, any words or expressions defined in the Act shall, if not in consistent with the subject or context, bear the same meaning in these Articles.

### SHAREHOLDER'S AGREEMENT

- \* 3. Subject to the provisions of the Act, regulations, guidelines and listing agreements as may be applicable, the Company shall, at all times during its currency, abide and be bound by the provisions of the SHA. Every member of the Company shall be deemed to have prior knowledge of and to have agreed to be bound by the terms of the said SHA.

**Shareholder's Agreement**

### CAPITAL, INCREASE AND REDUCTION IN CAPITAL

- \*4. The Authorised Share Capital of the Company is ₹ 30,00,00,00,000/- (Three Thousand Crores) divided into 290,00,00,000 (Two hundred and Ninety Crore) Equity Shares of ₹ 10/- each and 10,00,00,000 (Ten Crore) Redeemable Preference Shares of ₹ 10/- each with power to increase or reduce the capital of the Company and to divide the shares in the Capital for the time being into several classes and to attach there to respectively such preferential, qualified or special rights, privileges and conditions, as may be permissible at law and/ or 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 for the time being be provided by the Articles of Association of the Company.

**"Amount of Capital"**

5. Subject to the Provisions of the Act and these Articles, the Directors may allot and issue shares in the capital of the Company as payment or part payment for any property or assets of any kind whatsoever sold or transferred, goods or machinery supplied or for services rendered to the Company in the conduct of its business and any shares which may be so allotted may be issued as fully paid up or partly paid up otherwise than in cash, and if so issued, shall be deemed to be fully paid up or partly paid up shares as the case may be.

**Directors may allot shares as fully paid-up**

6. Subject to the provisions of the Act, any shares (whether forming part of the original capital or of any increased capital of the Company) may be issued either with the sanction of the Company in General Meeting or by the Board with such rights and privileges annexed thereto and upon such terms and conditions as shall be directed by the General Meeting sanctioning the issue of such shares.

**Further issue of Shares**

7. (a) The Company may from time to time in General Meeting alter the conditions of its Memorandum so as to increase its Authorised Share Capital by the creation of new shares of such class and amount as it thinks expedient.

**Increase of Capital**

- (b) Subject to the Provisions of the Act and this Article, the new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the General Meeting shall direct and if no direction be given, as the Board shall determine; and in

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\* Adopted in the Extraordinary General Meeting held on 28<sup>th</sup> March, 2003.

\* Adopted in the 26<sup>th</sup> Annual General Meeting held on 13<sup>th</sup> September, 2014

particular, such shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company, provided always, that any Preference Shares may be issued on the terms that they are at the option of the Company liable to be redeemed or converted.

8. Any Capital raised by the creation of new shares shall be considered part of the original Capital and shall be subject to the provisions herein contained with reference to the payment of calls and instalments, transfer and transmission, forfeiture, lien, surrender, voting and otherwise. **Increased capital same as original capital**
9. Subject to the provisions of Section 80, Section 85 and other applicable provisions, if any, of the Act, the Company shall have the power to issue Preference Shares/Cumulative Convertible Preference Shares with such rights and on such terms and conditions that are prescribed in this behalf from time to time. **Preference Shares**
10. On the issue of Redeemable Preference Shares under these presents the following provisions shall take effect : **Provisions to apply on issue of Redeemable Preference Shares.**
- (a) no such shares shall be redeemed except out of profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purpose of the redemption;
- (b) no such shares shall be redeemed unless they are fully paid;
- (c) the premium, if any, payable on redemption must have been provided for out of the profits of the Company or the Company's Share Premium Account before the shares are redeemed;
- (d) where any such shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall, out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called the "Capital Redemption Reserve Account", a sum equal to the nominal amount of the shares redeemed and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 80 of the Act, apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company.
11. Subject to provisions of Section 94 of the Act, the Company may in general meeting alter the conditions of its Memorandum as follows : **Consolidation, division, sub-division and cancellation**
- (a) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (b) Sub-divide its shares or any of them into shares of smaller amounts than is fixed by the memorandum, so however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of share from which the reduced share is derived;
- (c) Cancel shares which, at the date of passing of the resolution in that behalf, 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.

12. The Company may, from time to time, by Special Resolution, reduce its capital in any manner for the time being, authorised by the Act, and, in particular, capital may be paid-off on the footing that it may be called up again or otherwise. This Article is not to derogate any power the Company would have if it were omitted.
13. The rights conferred upon the holders of the shares or any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of the issue of the shares of that class, be deemed to be varied ranking *pari passu* therewith, but in no respect in priority thereto.
14. Whenever the Capital by reason of the issue of Preference Shares or otherwise is divided into different classes of shares, all or any of the rights and privileges attached to each class may, subject to the provisions of the Act, be modified, varied, commuted, affected, abrogated or dealt with; either with the consent in writing of the holders of not less than three-fourth of the issued shares of that class or with the sanction of a special resolution passed at a separate, general meeting of the holders of the issued shares of that class and all the provisions contained in these Articles as to General Meetings shall *mutatis mutandis* apply to every such meeting but so that the quorum for such meetings shall be five members of the Class present in person or by proxy. This Article is not to derogate any power the Company would have had, if this Article was omitted.

**Reduction of Capital etc.**

**Issue of further *pari passu* Shares not to affect the right of Shares already issued**

**Modification of rights.**

#### SHARE AND CERTIFICATE

- \* 15(a). The Company shall duly keep and maintain a Register and Index of Members in accordance with Section 150 and 151 of the Act.
- \* 15(b). Notwithstanding anything contained in these Articles, the Company shall in accordance with the provisions of the Depositories Act, be entitled to dematerialise its Shares, Debentures and other marketable securities and to offer the same for subscription in a dematerialised form and on the same being done, the Company shall be entitled to maintain a Register of Members/Debentures holders holding shares/debentures both in material and dematerialised form in any media as permitted by law including any form of electronic media, either in respect of existing shares or any future issue. Provided that, the provisions set forth in Articles 24 and 25 shall not apply to shares which have been dematerialised.
16. The shares in the capital shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned no share shall be sub-divided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.

**Register and Index of Members**

**"Option to Dematerialise Securities"**

**Shares to be numbered progressively and no share to be sub-divided**

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\* Article 15(a) & 15(b) Adopted in the Annual General Meeting held on 19<sup>th</sup> September, 1998.



"Provided however that the provision relating to progressive numbering shall not apply to the shares of the Company which have been dematerialised."

17. (a) Subject to the provisions of Section 81 and other applicable provisions (if any) of the Act, where it is proposed to increase the subscribed Capital of the Company by allotment of further shares:

- (i) Such further shares shall be offered to the persons who at the date of the offer, are holders of the equity shares of the Company, in proportion as nearly as circumstances admit, to the capital paid up on these shares at that date;
- (ii) The offer aforesaid shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined;
- (iii) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him, or any of them in favour of any other person and the notice referred to in sub-clause (ii) shall contain a statement of this right; but so that the person in whose favour any such shares may be renounced shall be such as the Directors may in their absolute discretion approve of, and in case the Directors may not so approve of any such persons, the renunciation of any such shares in his favour shall not take effect;
- (iv) After the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose them of in such manner as they think most beneficial to the Company.

(b) Notwithstanding anything contained in the, preceding subclause, the Company may:-

- (i) by a Special Resolution; or
- (ii) where no such Special Resolution is passed if the votes cast (whether on a show of hands, or on a poll, as the case may be) in favour of the proposal contained in the resolution moved in that General Meeting by members who being entitled to do so, vote in person, or where the proxies are allowed, by proxy, exceed the votes, if any, cast against the proposal by members so entitled and voting and the Central Government is satisfied, on an application made by the Board of Directors in this behalf, that the proposal is most beneficial to the Company;

offer further shares to any person or persons, and such person or persons may or may not include the persons who, at the date of the offer, are the holders of the equity shares of the Company.

(c) Notwithstanding anything contained in sub-clause (a) above, but subject however to Section 81(3) of the Act, the Company may increase its subscribed capital on exercise of an option attached to the debentures issued or loans raised by the Company to convert such debentures or loans into shares, or to subscribe for shares in the Company.

**Right of equity Shareholders to further issue of capital**

18. Subject to the provisions of the Act and these Articles the shares in the capital of the Company for the time being (including any shares forming part of any increased capital of the Company) shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportions and on such terms and conditions and either (subject to the provisions of Section 78 of the Act) at a premium or at par or (subject to the provisions of Section 79 of the Act) at a discount and at such times as they may from time to time think fit and proper, and with full power subject to the sanction of the Company in General Meeting, to give to any person the option to call for or be allotted shares of any class of the Company either at par or at a premium or subject as aforesaid at a discount, such option being exercisable at such times and for such consideration as the Directors think fit.
19. In addition to and without derogating from the powers for that purpose conferred on the Directors under Articles 17 and 18 and on the Company under Article 18 and subject to those Articles the Company in General Meeting may determine to issue further shares out of the Authorised Capital of the Company, and may determine, that any shares (whether forming part of the original capital or of any increased capital) of the Company shall be offered to such persons (whether members or holders of debentures of the Company or not) in such proportions and on such terms and conditions and either (subject to the provisions of Section 78 of the Act) at a premium or at par or (subject to the provisions of Section 79 of the Act) at a discount, as such General Meeting shall determine, and with full power to give any person (whether a member or holder of debentures of the Company or not) the option to call for or be allotted shares of any class of the Company, either (subject to the provisions of Section 78 of the Act) at a premium or at par, or (subject to the provisions of Section 79 of the Act), at a discount, such option being exercisable at such times and for such consideration as may be directed by such General Meeting, or the Company in General Meeting may make any other provisions whatsoever for the issue, allotment or disposal of any shares.
20. Any application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any share therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register shall, for the purpose of these presents, be a member.
21. The money (if any) which the Board shall on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them, shall immediately on the inscription of the name of the allottee in the Register of Members as the name of the holder of such shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.
22. Every Member, or his heirs, executors or administrators, shall pay to the Company the portion of the capital represented by his share or shares which may, for the time being, remain unpaid thereon, in such amounts, at such time or times, and in such manner, as the Board shall, from time to time, in accordance with the Company's regulations require or fix for the payment thereof

**Shares under the control of the Directors**

**Power of General Meeting to offer shares to such persons as the Company may resolve.**

**Acceptance of Share**

**Deposit and calls, etc. to be a debt payable immediately.**

**Liability of Members.**

23. 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 Articles or by law otherwise provided or as ordered by a Court of competent jurisdiction) any other right of any share except an absolute right to the entirety thereof in the registered holder.

**Company not bound to recognise any interest in Shares other than of registered holders.**

\* 23A. Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share, as also the person whose name appears as the beneficial owner of the shares in the records of the Depository as the absolute owner thereof as regards receipt of dividends or bonus or service of notices and all or any other matters connected with the Company, and accordingly, the Company shall not (except as ordered by Court of competent jurisdiction or as by law required) be bound to recognise any benami trust or equity or equitable, contingent or other claim to or interest in such share on the part of any other person whether or not it shall have express or implied notice thereof.

**Company to recognise the rights of Registered holders as also the beneficial owners in the records of the Depository**

\*\* 24. Subject to the provisions of Act and the Companies (Issue of Share Certificates) Rules, 1960 or any statutory modification or re-enactment thereof for the time being in force :

**Share Certificates**

\*\*(a) Every Member or allottee of shares shall be entitled, without payment, to receive the Share Certificates in marketable lots specifying the name of the person in whose favour they are issued, the shares to which they relate and the amount paid up thereon. Where the Share Certificates are not issued into marketable lots, sub-division or consolidation of such share certificates into marketable lots shall also be done free of charge. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in cases of bonus shares. Every such certificate shall be issued under the seal of the company, which shall be affixed in the presence of two Directors or persons acting on behalf of the Directors under a duly registered power of attorney and the Secretary or some other person Appointed by the Board for the purpose, and the two Directors or their attorneys and the Secretary or other person shall sign the share certificate; provided that if the composition of the Board permits of it, at least one of the aforesaid two Directors shall be a person other than a Managing Director or a Wholtime Director. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person to whom it has been issued indicating the date of issue.

(b) Any two or more joint allottees of a share shall, for the purpose of this Article, be treated as a single Member, and the certificate of any share, which may be the subject of joint ownership, may be delivered to any one of such joint owners on-behalf of all of them. For any further certificate

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\* Article 23 (A) Adopted in the Annual General Meeting held on 19th September, 1998.

\*\* Article 24 & 24 (a) Adopted in the Extra Ordinary Meeting held on 13th February 1992.

the Board shall be entitled, but shall not be bound, to prescribe a charge not exceeding Rupee one. The Company shall comply with the provisions of Section 113 of the Act.

(c) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as, engraving in metal or lithography, but not by means of a rubber stamp, provided that the Directors shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.

\*\* (d) Notwithstanding anything contained in Article 24(a), the Board may in its absolute discretion refuse an application for subdivision/consolidation of Share Certificates or Debenture Certificates into denominations of less than the marketable lot, except when such subdivision or consolidation, as the case may be, is to comply with a statutory provision or an order of a Competent Court of Law."

25. (a) The Company, shall within the prescribed time limit, after the allotment of any of its shares or debentures or after the application for the registration of the transfer of any such shares or debentures, complete and keep ready for delivery the certificate of all shares and debentures allotted or transferred.

**Limitation time  
for issue of  
Certificates.**

\* (b) No certificate of any share or shares shall be issued either in exchange for those which are sub-divided or consolidated or in replacement of those which are defaced torn or old, decrepit, worn out, or where the cages on the reverse for recording transfers have been duly utilised unless the certificate in lieu of which it is issued is surrendered to the Company and no fee shall be charged by the company for the issue of such new share certificate.

(c) When a new Share Certificate has been issued in pursuance of clause (b) of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that it is "Issued in lieu of Share Certificate No./ Sub-divided/replaced/ on consolidation of shares".

(d) If a Share Certificate is lost or destroyed, a new certificate in lieu thereof shall be issued only with the prior consent of the Board and on payment of such fee, not exceeding rupees two or such sum as the Board may from time to time fix, and on such terms, if any, as to evidence and indemnity as to payment of out-of-pocket expenses incurred by the Company investigating evidence.

(e) When a new share certificate has been issued in pursuance of clause (d) of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that it is "Duplicate issued in lieu of Share Certificate No." The word "Duplicate" shall be stamped or punched in bold letters across the face of the Share Certificate.

(f) Where a new Share Certificate has been issued in pursuance of Clause (b)

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\*\* Article 24 (d) Adopted in the Annual General Meeting held on 21st July 1992.

\* Article 25 (b) Adopted in the Extraordinary General Meeting held on 13th February, 1992.

or Clause (d) of this Article, particulars of every such Share Certificate shall be entered in a 'Register of Renewed and Duplicate Certificates' indicating against the name(s) of the person(s) to whom the Certificate is issued, the number and date of issue of Share Certificate in lieu of which the new Certificate is issued, and the necessary changes indicated in the Register of Members by suitable cross references in the "Remark" column.

- (g) All blank forms to be issued for issue of Share Certificates shall be printed and the printing shall be done only on the authority of and by a resolution of the Board. The blank forms shall be consecutively machine-numbered and the forms, blocks, engravings, fascimile and hues relating to the printing of such forms shall be kept in the custody of the Secretary or such other person as the Board may appoint for the purpose; and the Secretary or such other person aforesaid shall be responsible for rendering an account of these forms to the Board.
- (h) The Managing Director/s of the Company for the time being or, if the Company has no Managing Director, every Director of the Company shall be responsible for the maintenance, preservation and safe custody of all books and documents relating to the issue of Share Certificates except the blank form of Share Certificates referred to in sub-article (g).
- (i) All books referred to in sub-article (h) shall be preserved in good order permanently.

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

**The first named  
joint-holder  
deemed sole  
holder**

- \* 27. (1) "Notwithstanding anything contained in the Articles, the company shall have the power to purchase any of its own shares other specified securities as it may consider necessary subject to such limits upon such terms and conditions and in accordance with the provisions of Sections 77A, 77B and other applicable provisions of the Companies Act, 1956 for the time being in force and the corresponding provisions, rules, regulations and guidelines on Buy-back of Securities prescribed by the Securities and Exchange Board of India (SEBI) and/or by the central government provided that, nothing herein contained shall be deemed to affect the provisions of Sections 100 to 104 and Section 402 of the Act insofar as and to the extent they are applicable."
- (2) Except to the extent permitted by Section 77 or other applicable provisions, if any, of the Act, the Company shall not give whether directly or indirectly and whether by means of a loan, guarantee, the provision of security or otherwise any financial assistance for the purpose of or in connection with purchase or subscription made or to be made by any person of or for any shares in the Company.
- (3) Nothing in this Article shall affect the right of the Company to redeem any Redeemable Preference Shares issued under Article 9 or under Section 80 or other relevant provisions, if any, of the Act.

Buy-back  
of shares

**UNDERWRITING AND BROKERAGE**

28. Subject to the provisions of Section 76 and other applicable provisions (if any) of the Act, the Company may 'from time to time or at any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe, whether absolutely or conditionally for any shares in or debentures of the Company or his procuring or agreeing to procure subscriptions, whether absolute or conditional for any shares, in, or debentures of the Company, but so that the amount or rate of commission does not exceed in the case of shares, five per cent of the price at which the shares are issued and in the case of debentures, two and a half percent of the price at which the debentures are issued or at such other rates as may be allowed in this behalf from time to time. The commission may, be satisfied by the payment of cash or the allotment of fully or partly paid shares or debentures or partly in the one way and partly in the other way. The Company may also on any issue of shares or debentures pay such brokerage as may be reasonable and lawful.
- Commission may be paid**

**INTEREST OUT OF CAPITAL**

29. 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 provision of any plant, which cannot be made profitable for a lengthy period, the Company may pay interest on so much of that share capital as is for the time being paid up, for the period, at the rate and subject to the conditions and restrictions laid down by Section 208 of the Act, and may charge the same to capital as part of the cost of construction of the work or building, or the provision of plant.
- Interest may be paid out of Capital**

**CALLS**

30. The Board of Directors may from time to time by a resolution passed at a meeting of the Board (and not by a circular resolution) and subject to the conditions hereinafter mentioned, make such calls as deemed fit, upon the members in respect of all moneys unpaid on the shares held by them respectively (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times, and each member shall pay the amount of every call so made on him to the Company or person or persons at the times and/or places appointed by the Board. A call may be made payable by instalments. Joint-holders of share/s shall be jointly and severally liable to pay all calls in respect of shares held by them.
- Board may make calls**
31. Where any calls for share capital are made on shares, such calls shall be made on a uniform basis on all shares falling under the same class. For the purposes of this Article, shares of the same nominal value on which different amounts have been paid up shall not be deemed to fall under the same class.
- Calls on Shares of same Class to be made on uniform basis**
32. Fifteen days' notice, at the least, of any call, shall be given by the Company specifying the time and place of payment and if payable, to any person other than the Company, the name of the person to whom the calls shall be paid. Before the time for payment of call the Directors may by notice, in writing, to the members revoke or postpone the same.
- Notice of Call**

33. A call shall be deemed to have been made at the time when the resolution of the Board authorising such call was passed and made payable by the members whose names appear on the Register of Members on such date or at the discretion of the Board on such subsequent date as shall be fixed by the Board. **Calls to date from resolution.**
34. The Board may from time to time at its discretion extend the time fixed for the payment of any call, and may extend such time as to all or any of the members who, from residence at a distance or other cause, the Board may deem fairly to be entitled to such extension, but no member shall be entitled to such extension save as a matter of grace and favour. **Board may extend time.**
35. If by the terms of issue of any share or otherwise any amount is made payable at any fixed times (whether on account of the amount of the share or by way of premium) every such amount or instalment shall be payable as if it were a call duly made by the Board and of which due notice has been given and all the provisions herein contained in respect of calls shall relate to such amount or instalment accordingly. **Amount payable at fixed time by instalment calls.**
36. If the sum payable in respect of any call or instalment is not paid on or before the day appointed for payment thereof or any such extension thereof as aforesaid, the holder for the time being or allottee of the share, in respect of which a call has been made or the instalment shall be due, shall be liable to pay interest on the same from the date appointed for the payment thereof to the time of actual payment, at such rate as the Board may deem fit. Board may, if it thinks fit, waive payment of such interest wholly or in part. **When interest on call or instalment payable.**
37. The Board may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the amount of his shares beyond the sums actually called up; and upon the moneys so paid in advance, or upon so much thereof, from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made, the Board may pay or allow interest, at such rate as the member paying the sum in advance and the Board may agree upon. The Board may agree to repay the same upon giving to the Member three months' notice in writing provided that moneys paid in advance of calls on any shares may carry interest but shall not confer a right to dividend or to participate in profits. No member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable. **Payment in anticipation of calls may carry interest.**
38. Subject to the provisions of the Act and these Articles, on the trial or hearing of any action or suit brought by the Company against any member or his legal representative for the recovery of any call or other money claimed to be due to the Company in respect of any shares, it shall be sufficient to prove that the name of the member in respect of whose shares the money is sought to be recovered is on the Register of Members as the holder of the shares in respect of which such money is sought to be recovered, and that the resolution making the call is duly recorded in the minute book, and that notice of such call was duly given in pursuance of these presents and it shall not be necessary to provide the appointment of **Proof on trial of suit for money due on Shares**

the Directors who made such call nor any other matter whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.

39. Neither a Judgement nor a decree in favour of the Company for call or other moneys due in respect of any shares nor any part payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any member in respect of any shares, either by way of principal or interest, nor any indulgence, by the Company in respect of the payment of any money shall preclude the forfeiture of such shares as herein provided.

**Judgement  
decree or partial  
payment not to  
preclude  
forfeiture**

#### **FORFEITURE, SURRENDER AND LIEN**

40. If any member fails to pay the whole or any part of any call or instalment or any money due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same or any extension thereof as aforesaid, the Directors may at any time thereafter during such time as the call or instalment or any part thereof or other moneys remaining unpaid or a judgement or decree in respect thereof remains unsatisfied, in whole or in part, serve a notice on such member, or on any other person entitled to the share by transmission, requiring him to pay such call or instalment or such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all expenses (legal or otherwise) that may have been incurred by the Company by reason of such non-payment.
41. The notice aforesaid shall name a day (not being less than fourteen days from the date of the notice) and place or places on and at which the money is to be paid and the notice shall also state that in the event of the non-payment of such money at the time and place appointed, the shares in respect of which the same is owing will be liable to be forfeited.
42. If the requirement of any such notice as aforesaid be not complied with, every or any share in respect of which the notice is given may at any time thereafter before payment of all calls or instalments, interest and expenses due in respect thereof, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends or any other moneys payable in respect of the forfeited shares and not actually paid before the forfeiture.
43. When any share is so declared to be forfeited, notice of forfeiture shall be given to the holder of the share, and any entry of the forfeiture with the date thereof, shall forthwith be made in the Register of Members, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.
44. Every Share which shall be so declared forfeited shall thereupon be the property of the Company and may be sold, re-allotted or otherwise disposed of either to the original holder thereof, or to any other person, upon such terms and in such manner as the Board shall think fit.
45. Any member whose shares may be forfeited shall, notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company all calls and other moneys owing upon the shares at the time of forfeiture together with interest thereon from the time of the forfeiture until payment, at such

**If call or  
instalment not  
paid, notice  
must be given**

**Terms of notice**

**In default of  
payment, shares  
to be forfeited**

**Notice of  
forfeiture to  
member and  
entry in Register**

**Forfeited Shares  
to be property of  
the Company and  
may be sold, etc.**

**Members shall be  
liable to pay  
money owing at  
the time of forfei-  
ture and interest**



rate of interest as the Board may determine and the Directors may enforce the payment thereof if they think fit, but shall not be under any obligation to do so.

46. The forfeiture of a share shall involve the extinction of all interest in, and also of all claims and demands against the Company in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.
47. A declaration in writing under the hand of a Director or the Secretary that the call or other moneys in respect of a share was or were due and payable and notice thereof given and that default in payment of the call or other moneys was made, and that the forfeiture of the shares was made by a resolution of the Directors to that effect, shall be conclusive evidence of the facts stated therein as against all Persons entitled to such share.
48. The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition thereof and the person to whom such share is sold, re-allotted or disposed of may be registered as the holder of the share; (unless by express agreement) neither be liable to pay any calls, amount, instalments, interest and expenses owing to the Company prior to such purchase or allotment nor shall he be entitled (unless by express agreement) to any of the dividend, interest or bonuses accrued or which might have accrued upon the shares before the time of completing such purchase or before such allotment and shall not be bound to see to the application of the consideration, 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; re-allotment or other disposal of the same.
49. Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting Member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new certificate or certificates in respect of the said shares to the person or persons entitled thereto.
50. The Board may at any time before any share, so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.
51. The Directors may at any time, subject to the provisions of the Act, accept the surrender of any share from or by any member desirous of surrendering on such terms as the Directors may think fit.
52. The Company shall have a first and paramount lien upon all the shares (other than fully paid up shares) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares and no equitable interest in any share shall be created except upon the footing and condition that Article 23 thereof is to have full effect. Any such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares. Unless

**Effect of forfeiture**

**Evidence of forfeiture**

**Title of purchaser and allottee of forfeited shares**

**Cancellation of Share Certificates in respect of forfeited Shares**

**Power to annul forfeiture**

**Directors may accept surrender of Shares**

**Company's lien on Shares**

otherwise agreed, the registration of a transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares. The Board of Directors may at any time declare any share to be wholly or in part exempt from the provisions of this Article.

53. For the purpose of enforcing such lien, the Board of Directors may sell the shares subject thereto in such manner as they think fit, but no sale shall be made unless the sum in respect of which the lien exists is presently payable and until notice in writing of the intention to sell shall have been served on such member or his executors or administrators or his committee or curator bonis or other legal representatives as the case may be, and default shall have been made by him or them in the payment of the sum payable as aforesaid for seven days after the date of such notice. To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof and the purchaser shall be registered as the holder of the shares comprised in any such transfer. Upon any such sale as aforesaid, the certificates in respect of the shares sold shall stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new certificate or certificates in lieu thereof to the purchaser or purchasers concerned. The purchasers shall not be bound to see to the regularity of the proceedings or to the application of the purchase money and after his name has been entered in the Register in respect of such shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

**As to enforcing  
lien by sale**

54. The net proceeds of the sale shall be received by the Company and on the payment of the costs of such sale applied in payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall be subject to like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

**Application  
process**

- \*55(a) If either of ONGC or HPCL or the Lenders ("party" for the purposes of this Article) desires to sell any of their shares in MRPL, then such Party (the "Offeror" for the purposes of this Article) shall first offer (the "Offer" for the purposes of this Article) to sell such Shares to other Parties (the "Offeree" for the purposes of this Article).

**First right of  
purchase**

- (b) The Offeror shall send a notice of the Offer (the "Sale Notice") to the Offeree irrevocably offering to sell the Offer Shares, for cash, to the Offeree.
- (c) The Sale Notice shall clearly stipulate among other things, the number of Shares that the Offeror desires to sell (the "Offer Shares") and the price at which the Offeror proposes to sell the Offer Shares (the "Offer Price").
- (d) Upon the Sale Notice being given, the Offeree shall have the right, exercisable at its sole discretion, to purchase all, but not less than all, of the Offer Shares.
- (e) Within 30 Business Days of the Sale Notice (the "Offer Period"), Offeree may give to Offeror, a notice in writing accepting the Offer contained in the Sale Notice (an "Acceptance Notice"). If the Acceptance Notice is given by the Offeree, the transaction of purchase and sale shall be completed within sixty (60) Business Days of the expiry of the Offer Period.

- (f) If Offeree does not give the Acceptance Notice in accordance with the provisions of this Article, the rights of the Offeree, subject to the terms provided in this Article, to purchase the Offer Shares shall cease and Offeror may sell the Offer Shares to any third party within 30 (thirty) Business Days after the expiry of the offer period, for a price and at terms no more favourable to such Third Party than those set out in the Sale Notice.
- (g) If the Offer Shares are not sold within such thirty(30) Business Days period on such terms contained in the Sale Notice, the rights of the Offeree pursuant to this Article shall again take effect with respect to any sale of Shares held by the Offeror, and so on from time to time.
- (h) Notwithstanding the provisions of clause (g) above, the Offeree shall be entitled to require proof that the purchase and sale of the Offer Shares was completed at a price and at terms no more favourable than those that would have been applicable had the Offeree agreed to purchase the Offer Shares.
- (i) All Sale Notices, Acceptance Notices or any other notices given under this Clause shall be given concurrently to MRPL.
- (j) Notwithstanding anything contained in clause (a) to (i) of this Article, the Lenders shall not exercise their first right of purchase in the event of HPCL / ONGC deciding to sell its shareholding in the Company. In the event any of the Lender(s) decide to sell its / their shareholding in MRPL, ONGC shall exclusively have the first right of purchase of such shares.
56. The Company shall keep a book, to be called the "Register of Transfers" and therein shall be fairly and distinctly entered the particulars of every transfer and transmission of shares.
57. Shares in the Company shall be transferred in accordance with the provisions of the Act. The instrument of transfer shall be in writing and in such form/s as shall from time to time be prescribed under the Act.
58. The Company shall not register transfer of shares in or Debentures of the Company unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee in the prescribed form and in accordance, with the requirements of Section 108 of the Act has been delivered to the Company along with the Certificate/s relating to the shares or debentures, or if no such certificate is issued along with the letter of allotment of the shares or debentures. Provided that where on an application in writing made to the Company by the transferee and bearing the stamp required for an instrument of transfer, it is proved to the satisfaction of the Board of Directors that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit; Provided further that nothing in this Article shall prejudice any power of the Company to register as share holder or debenture holder any person to whom the right to any shares in or debentures of the Company has been transmitted by operation of law.

**Register of Transfers**

**Form of transfer**

**Transfer not to be registered except on production of instrument of transfer.**

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\*Article 55 (a to j) Adopted in the Extraordinary General Meeting held on 28<sup>th</sup> March, 2003.

\*59. (a) Subject to the provisions of Section 111A, or any statutory modification or re-enactment thereof, the Directors may for sufficient cause refuse to register transfer of shares within one month from the date on which the instrument of transfer or the intimation of transfer, as the case may be, is delivered to the Company. The Directors may decline to register or acknowledge any transfer of shares and in particular may do so in any case in which the Company has a lien upon the shares, or any of them or whilst any money in respect of the shares proposed to be transferred or any of them remains unpaid, or unless the transferee is approved by the Directors and such refusal shall not be affected by the fact that the proposed transferee is already a member. The registration of transfer shall not be refused on the ground of the transferee, if either alone or jointly with any other person or persons is indebted to the Company on any account whatsoever other than by way of lien. If the Company refuses to register the transfer of shares or transmission of shares, the Company shall within one month from the date on which the instrument of transfer or intimation of transmission was lodged with the Company, send notice of refusal to the transferee and the transferor or to the person giving intimation of the transmission, as the case may be.

**Right to refuse transfer of shares for sufficient cause and rectification of Register of Members & records.**

(b) The Company Law Board or the National Company Law Tribunal (as its successor), may on the application made by a depository, company, participant (the term depository and participant shall have the meaning assigned to them under the Depositories Act, 1996) or an investor or the Securities & Exchange Board of India ("SEBI"), rectify the Company's register or records, if the transfer of securities is in contravention of any of the provisions of the Securities Exchange Board of India Act, 1992 or regulations made thereunder or the Sick Industrial Companies (Special Provisions) Act, 1985 or the provisions of Part VIA of the Companies Act (when notified), or any statutory modification thereof, or any other law for the time being in force; provided that the application by such persons for such rectification shall be made within two months from the date of transfer of any shares or debentures held by Depository or from the date on which the instrument of transfer or the intimation of transmission was delivered to the Company, as the case may be.

(c) Subject to the provisions of Section 111A(5) & (6) of the Act, the Company Law Board or the National Company Law Tribunal, may by an order suspend the rights of the holder to vote on such shares upon an application by the Depository, Company, Participant, Investor or the SEBI or any of them. Any transfer made of such securities, pending the application of any Depository, Company, Participant or Investor shall be subject to orders of the Company Law Board or the National Company Law Tribunal, as the case may be, in relation to matters of voting rights."

60.(1) An application for the registration of transfer of the shares in the Company may be made either by the transferor or the transferee.

**Application for transfer**

(2) Where the application is made by the transferor and relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.

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\* Articles 59(a to c) Adopted in the Extraordinary General Meeting held on 28<sup>th</sup> March, 2003.

- (3) For the purposes of sub-clause (2) above, notice to the transferee shall be deemed to have been duly given if it is despatched by prepaid registered post to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.
61. Every instrument of transfer shall be signed both by or on behalf of the transferor and the transferee and the transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register of Members.
- \* 61A. Nothing contained in Articles 57, 58 and 61 shall apply to the transfer of shares, debentures or other marketable securities effected by the transferor and transferee, both of whom are entered as beneficial owners in the records of the Depository.
- \* 61B(i) In case of transfer of shares, debentures or other marketable securities where the Company has not issued any certificates and where such shares, debentures or securities are being held in an electronic and fungible form, the provisions of the Depositories Act shall apply, and accordingly for the purpose of Article 60, the Depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owner, and who shall be deemed to be the Transferor or the Transferee, as the case may be for the purpose of the said Article and other relevant provisions contained in this behalf in these Articles.
- (ii) In respect of the shares, debentures and other marketable securities held by the Depository on behalf of a beneficial owner as defined in the Depositories Act, Sections 153, 153A, 153B, 187B, 187C and 372 of the Companies Act 1956, shall not apply.
62. A transfer of shares in the Company of the deceased member thereof made by his legal representative shall, although the legal representative is not himself a member, be as valid as if he had been a member at the time of the execution of the instrument of transfer.
63. The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall on demand be returned to the person depositing the same. The Directors may cause to be destroyed all transfer deeds lying with the Company for a period of ten years or more.
64. The Directors shall by giving not less than seven days' previous notice by advertisement as required under Section 154 of the Act close the Register of Members or Register of Debenture Holders of the Company for such period not exceeding in aggregate 45 days in each year but not exceeding 30 days at any one time

**Instrument of transfer to be executed by transferor and transferee**

**"Articles 57, 58 and 61 shall not apply to Shares, Debentures or other marketable securities entered in the records of the Depository"**

**"Applicability of Depositories Act."**

**Transfer of legal representative**

**Custody of instrument of transfer**

**Closure of Register of Members.**

65. The executor or administrator of a deceased member or holder of a succession certificate shall be the only person/s recognised by the Company as having any title to his shares, and the Company shall not be bound to recognise such executor or administrator or holder of succession certificate unless such executor or administrator or holder shall have first obtained Probate or Letters of Administration, or other legal representation, as the case may be from a duly constituted Court in India or from any authority empowered by any law to grant such other legal representation; Provided that in any case, where the Board in their absolute discretion think fit, may dispense with the production of Probate or Letters of Administration or other legal representation, and under Article 66 register the name of any person who claims to be absolutely entitled to the shares standing in the name of a deceased member as a member, upon such terms as to indemnity and evidence or otherwise as the Directors may deem fit.
- Title of Share of deceased**
66. Subject to the provisions of the Act and these Articles, any person becoming entitled to a share in consequence of the death, lunacy, bankruptcy or insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may with the consent of the Directors (which they shall not be under any obligation to give), upon adducing such evidence that he sustains the character in respect of which he proposes to act under this clause, or of his title, as the Board may think sufficient and upon giving such indemnity as the Directors may require either by registering himself as the holder of the share or else to have some person nominated by him, and approved by the Board registered as such holder, provided, nevertheless, that if such person shall elect to have his nominee registered he shall testify the election by executing to his nominee an instrument of transfer of the share in accordance with the provisions herein contained, and, until he does so, he shall not be freed from any liability in respect of the share. This clause is herein referred to as "the Transmission Clause".
- Registration of persons entitled to shares otherwise than by transfer (Transmission Clause)**
- \* 66a. Notwithstanding anything contained in Articles 62 and 66 every holder(s) of shares in or holder(s) of debentures of the Company, holding either singly or jointly, may, at any time, nominate a person in the prescribed manner to whom the shares and / or the interest of the member in the capital of the Company or Debentures of the Company or Debentures of the Company shall vest in the event of his/her death. Such member may revoke or vary his/her nomination, at any time, by notifying the same to the Company to that effect. Such nomination shall be governed by the provisions of Section 109A and 109B of the Companies Act, 1956 or such other regulations governing the matter from time to time.
67. Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse to register a person entitled by transmission to any shares of his nominee as if he were the transferee named in an ordinary transfer presented for registration.
- Refusal to register nominee**
68. Every transmission of a share shall be verified in such manner as the Directors may require, and the Company may refuse to register any such
- Board may require evidence of transmission**

transmission until the same be verified, or until or unless an indemnity be given to the Company with regard to such registration which the Board at their discretion shall consider sufficient; Provided nevertheless that there shall not be any obligation on the Company or the Board to accept any indemnity.

\*\* 69. Deleted.

\* 70. The Company shall incur no liability or responsibility whatsoever in consequence of their registering or giving effect to any transfer of shares made or purporting to be made, by any apparent legal owner thereof (as shown or appearing in the Register of members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto in any book of the Company; and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to them of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some book of the Company; but the Company shall nevertheless, be at liberty to regard and attend to any such notice and given effect thereto, if the Directors shall so think fit.

**Company not liable for disregard of a notice prohibiting registration of a transfer**

\*\* 70A The Articles providing for the transfer and transmission of Shares and the Articles relating to forfeiture of Shares, appropriation of dividends towards calls in arrears, shall mutatis mutandis apply to the transfer and transmission of Debentures and to the forfeiture and appropriations towards calls in arrears on the Debentures of the Company.

#### **COPIES OF MEMORANDUM AND ARTICLES BE SENT TO MEMBERS**

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

**Copies of Memorandum and Articles of Association to be sent by the Company.**

#### **BORROWING POWERS**

\* 72. Subject to the provisions of Sections 292 and 293 of the Act and of these Articles, the Board may, from time to time at its discretion, by a resolution passed at a meeting of the Board, accept deposits, either in advance of calls or otherwise, and generally raise or borrow or secure the payment of any sum or sums of money for the Company. Provided however, that where

**Power to Borrow.**

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\*\* Article 69 deleted & 70 A Adopted in the Extraordinary General Meeting held on 13th February 1992.

\* Article 72 Adopted in Extraordinary General Meeting held on 27<sup>th</sup> June, 1997

the moneys to be borrowed at any time, together with the moneys already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the paid-up capital of the Company and its free reserves (not being reserves set apart for any specific purpose) the Board shall not borrow such moneys without the consent of the Company in General Meeting.

73. Subject to the provisions of the Act and these Articles the Directors may by a resolution at a meeting of the Board (and not by circular resolution) 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 otherwise or redeemable debentures, or any mortgage or charge or other security, on the undertaking or on the whole or any part of the property of the Company (both present and future) including its uncalled capital for the time being.
74. Any bonds 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.
75. Debentures, 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
76. Subject to the provisions of the Act and these Articles, any bonds, debentures, or other securities may be issued at a discount, premium or otherwise and with any special privileges and conditions as to redemption, surrender, drawings, allotment of shares and attending but not voting at General Meetings, appointment of Directors and otherwise. Debenture with the right to allotment or of conversion into shares shall not be issued except with the consent of the Company in General Meeting.
77. If any uncalled capital of the Company is included in or charged by any mortgage or other security, the Board of Directors shall subject to the provisions of the Act and these Articles make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed or, if permitted by the Act, may, by instrument under the Company's 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 call, shall mutatis mutandis, apply to call made under such authority, and such authority may be made exercisable either conditionally or unconditionally and either presently or contingently and either to the exclusion of the Board's power or otherwise, and shall be assignable if expressed so to be.
78. Subject to the provisions of the Act and these Articles, if the Directors or any of them or any other person shall incur or be about to incur any liability whether as principal or surety for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the

**Conditions on which money may be borrowed.**

**Bonds, debentures, etc. to be under the control of the Directors.**

**Securities may be assignable free from equities.**

**Issue at discount etc. or special privilege.**

**Mortgage on uncalled capital.**

**Indemnity may be given.**



Directors or person so becoming liable as aforesaid from any loss in respect of such liability.

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

**Register of mortgages, etc. to be kept.**

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

**Register and Index of Debenture holders.**

### CONVERSION OF SHARES INTO STOCK AND RECONVERSION

81. The Company in General Meeting may convert any paid-up shares into stock, and when any shares shall have been converted into stock, the several holders of such stock may thenceforth, transfer their respective interest therein, or any part of such interest, in the same manner and subject to the same regulations as, and subject to which shares from which the stock arose might have been transferred, if no such conversion had taken place, or as near thereto as circumstances will admit provided that the Board may from time to time fix the minimum amount of stock transferable, as however, that such minimum amount shall not exceed the nominal amount of shares from which the stock arose. The Company may at any time reconvert any stock into paid-up shares of any denomination.

**Shares may be converted into stock.**

82. The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meeting of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding-up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

**Rights of stock-holders.**

### STATUTORY MEETING

83. (a) The Company shall within a period of not less than one month nor more than six months from the date at which the Company is entitled to commence business, hold a General Meeting of the members of the Company which shall be called the Statutory Meeting.
- (b) The Board of Directors shall not less than 21 days before the date on which the meeting is to be held forward a report called the Statutory Report to every member of the Company provided that if the Statutory Report is forwarded later than is required above, it shall, notwithstanding the fact, be deemed to have been duly forwarded if it is so agreed to by all the members entitled to attend and vote at the meeting.
- (c) The Board of Directors shall comply with the provisions of Section 165 of the Act in connection therewith.

**Statutory Meeting.**

## MEETING OF MEMBERS

84. The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meetings in that year. All General Meetings other than Annual General Meetings shall be called Extra-ordinary General Meetings. The Annual General Meeting shall be held within six months after the expiry of each financial year; provided that not more than fifteen months shall elapse between the date of one Annual General Meeting and that of the next provided that the Company may hold its first Annual General Meeting within a period of not more than 18 months from the date of its incorporation; and if such General Meeting is held within that period, it shall not be necessary for the Company to hold any Annual General Meeting in the year of incorporation or in the following year. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of Section 166(1) of the Act to extend the time within which any Annual General Meeting may be held. Every Annual General Meeting shall be called at a time during business hours, on a day that is not a public holiday, and shall be held at the Registered Office of the Company or at some other place within the city, town or village in which the Registered Office is situated as the Board may determine and the Notice calling the Meeting shall specify it as the Annual General Meeting. The Company may in any one Annual General Meeting fix the time for its subsequent Annual General Meetings. Every Member of the Company shall be entitled to attend either in person or by proxy and the Auditor of the Company shall have the right to attend and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor. The Board shall prepare the annual list of Members, summary of Share Capital, Balance Sheet and Profit and Loss Account and forward the same to the Registrar, in accordance with Sections 159, 161 and 220 of the Act.
85. The Board of Directors may, whenever it thinks fit, call an Extra-ordinary General Meeting.
86. (1) The Board of Directors shall, on the requisition of such number of members of the Company as specified under the Act, forthwith proceed to call an Extra-ordinary General Meeting of the Company and in respect of any such requisition and of any meeting to be called pursuant thereto all other provisions of Section 169 of the Act shall apply.
- (2) The requisition shall set out the matters for the consideration of which the meeting is to be called, shall be signed by the requisitionists, and shall be deposited at the Registered Office of the Company.
- (3) The requisition may consist of several documents in like form, each signed by one or more requisitionists.
- (4) Where two or more distinct matters are specified in the requisition, the provisions of sub-clause (1) above shall apply separately in regard to each such matter, and the requisition shall accordingly be valid only in respect of those matters in regard to which the conditions specified in that sub-clause are fulfilled.

**Annual General Meeting Annual Summary.**

**Directors may call Extra-ordinary General Meeting.**

**Calling of Extra-ordinary General Meeting. on requisition**

- (5) If the Board of Directors does not, within twenty one days from the date of the deposit of a valid requisition in regard to any matters, proceed duly to call a meeting for the consideration of those matters on a day not later than forty five days from the date of the deposit of the requisition, the meeting may be called by the requisitionists as represent either a majority in value of the paid up share capital held by all of them or not less than one-tenth of such of the paid up share capital of the Company as is referred to in sub-clause (1) above, whichever is less.
- (6) A meeting called under sub-clause (5) above by the requisitionists or any of them shall be called in the same manner, as nearly as possible, as that in which meetings are to be called by the Board but shall not be held after the expiration of three months from the date of the deposit of the requisition.
- (7) Any reasonable expenses incurred by the requisitionists by reason of the failure of the Board to duly call a meeting shall be repaid to the requisitionists by the Company; and any sum so repaid shall be retained by the Company out of any sums due or to become due from the Company by way of fees or other remuneration for their services to such of the Directors as were in default.

87. (1) A General Meeting of the Company may be called by giving not less than twenty-one days notice in writing.
- (2) However, a General Meeting may be called after giving shorter notice than twenty-one days, if consent is accorded thereto;
- (i) in the case of an Annual General Meeting by all the members entitled to vote thereat; and
- (ii) in the case of any other meeting, by members of the Company, holding not less than ninety-five percent of such part of the paid-up share capital of the Company as gives a right to vote at that meeting.

**Notice of meeting.**

Provided that where any members of the Company are entitled to vote only on some resolution or resolutions to be moved at the meeting and not on the others, those members shall be taken into account for the purpose of this sub-clause in respect of the former resolution or resolutions but not in respect of the latter.

88. (1) Every notice of a meeting of the Company shall specify the place, the day and hour of the meeting and shall contain a statement of the business to be transacted thereat.
- (2) In every notice there shall appear with reasonable prominence a statement, that a member entitled to attend and vote is entitled to appoint a proxy, to attend and vote instead of himself, and that a proxy need not be a member of the Company.
89. (a) In the case of Annual General Meeting all business to be transacted at the meeting shall be deemed special, with the exception of business relating to:
- (i) the consideration of the Accounts, Balance Sheet and Profit & Loss Account and the Report of the Board of Directors and of the Auditors;

**Contents of Notice**

**Special / Ordinary business**

- (ii) the declaration of dividend;
  - (iii) the appointment of Directors in the place of those retiring and
  - (iv) the appointment and the fixing of the remuneration of Auditors.
- (b) in the case of any other meeting all business shall be deemed special.
- (c) Where any item of business to be transacted at the meeting is deemed to be special as aforesaid, there shall be annexed to the notice of the meeting an Explanatory Statement setting out all material facts concerning each such item of business including in particular the nature of the concern or interest, if any, therein of every Director, and the Manager, if any.

Provided however, that where any item of special business as aforesaid to be transacted at a meeting of the Company relates to, or affects, any other company, the extent of shareholding interest in that other company of every Director, and the Manager, if any, of the Company shall also be set out in the Explanatory Statement, if the extent of such shareholding interest is not less than twenty per cent of the paid up share capital of that other company.

- (d) Where any item of business to be transacted at the meeting of the Company consists of according the approval of the meeting to any document, the time and place where the document can be inspected shall be specified in the Explanatory Statement.

90. Notice of every meeting shall be given to every member of the Company in any manner authorised by sub-sections (1) to (4) of Section 53 of the Act and these Articles. It shall be given 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 the representative of the deceased, or assignees of the insolvent, or by any like description, at the address if any, in India supplied for the purpose by the persons claiming to be so entitled, or until such an address has been so supplied, by giving the notice in any manner in which it might have been given if the death or insolvency had not occurred.

**Service of  
Notice of  
Meeting.**

Provided where the notice of a meeting is given by advertising the same in a newspaper circulating in the neighbourhood of the Registered Office of the Company under Sub-section (3) of Section 53 of the Act, the Explanatory Statement need not be annexed to the notice as required by Section 173 of the Act, but it shall be mentioned in the advertisement that statement has been forwarded to the members of the Company.

91. Notice of every meeting of the Company shall be given to the Auditor or Auditors for the time being of the Company in any manner authorised by Section 53 of the Act, as in the case of any member or Members of the Company.

**Notice to be  
given to the Au-  
ditors.**

92. The accidental omission to give notice of any meeting to, or the non-receipt of any notice by, any member or other person to whom it should be given shall not invalidate the proceedings at the meeting.

**As to omission  
to give notice.**

93. Where, by any provision contained in the Act or in these Articles, special notice is required of any resolution, notice of the intention to move the

**Resolution requiring  
special notice.**

resolution shall be given to the Company, and by the Company to the members, as provided in Section 190 of the Act.

#### PROCEEDINGS AT GENERAL MEETING

94. Five members present in person shall be a quorum for a General Meeting. A body corporate being a Member shall be deemed to be personally present if it is represented in accordance with Section 187 of the Act. **Quorum at General Meeting**
95. If within half an hour from the time appointed for holding a meeting of the Company, a quorum is not present, the meeting, if called upon by the requisition of members, shall stand dissolved. In any other case, the meeting shall stand adjourned to the same day in the next week, at the same time and place or if that day is a public holiday, till the next succeeding day which is not a public holiday, at the same time and place or to such other day and at such other time and place as the Board may determine. **If quorum not present, meeting to be dissolved or adjourned.**
96. If at any adjourned meeting also a quorum is not present within half an hour of the time appointed for holding the meeting, the members present, whatever their number or the amount of the shares held by them, shall be a quorum and shall have power to decide upon all the matters which could properly have been disposed of at the meeting from which the adjournment took place. **Adjourned Meeting to transact business**
97. The Chairman of the Board of Directors shall, preside as Chairman at every General Meeting, whether Annual or Extra-ordinary. But if there be no such Chairman, or in case of his absence one of the Directors present shall be chosen to be Chairman of the Meeting. **Chairman of General Meeting.**
98. If at any meeting a quorum of members is present, and the Chair is not taken by the Chairman of the Board or by the Managing Director or by a Director before the expiration of fifteen minutes from the time appointed for holding the meeting, the members present shall on a show of hands choose one of their number to be Chairman of the meeting. The Chairman elected on a show of hands shall exercise all the powers of the Chairman under the Act and these Articles. **In case of their absence or refusal a member may act.**
99. (1) No business shall be discussed at any general meeting except the election of the Chairman whilst the Chair is vacant. **Business confined to election of Chairman whilst chair vacant.**
- (2) If a poll is demanded on the election of the Chairman, it shall be taken forthwith in accordance with the provisions of the Act and these Articles.
- (3) If some other person is elected Chairman as a result of the poll, he shall be Chairman for the rest of the meeting.
100. The Chairman may with the consent of any meeting at which quorum 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. **Chairman with consent may adjourn meeting.**
101. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. **Notice to be given where a meeting adjourned for 30 days or more.**

Save as aforesaid it shall not be necessary to give any notice of an adjourned meeting or of the business to be transacted at an adjourned meeting.

102. At any General Meeting a resolution put to the vote of the meeting shall unless a poll is demanded be decided on a show of hands. A declaration by the Chairman that on a show of hands a resolution has or has not been carried, either unanimously or by a particular majority, and an entry to that effect in the book containing the minutes or the proceedings of the Company, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes cast in favour of or against such resolution.
103. Before or on the declaration of the result of the voting on any resolution on a show of hands, a poll may be ordered to be taken by the Chairman of the meeting of his own motion and shall be ordered to be taken by him, on a demand made in that behalf (a) by at least 5 members having the right to vote on the resolution and present in person or by proxy or (b) by any member or members present in person or by proxy and having not less than one-tenth of the total voting power in respect of the resolution or (c) by any member or members present in person or by proxy and holding shares in the Company conferring a right to vote on the resolution, being share on which an aggregate sum has been paid up which is not less than one-tenth of the total sum paid up on all Shares conferring that right. The demand for a poll may be withdrawn at any time by a person or persons who shall make the demand.
- 104.(1) Except on the question of the election of a Chairman or of adjournment as aforesaid, a poll demanded on any other question shall be taken at such time not being later than forty-eight hours from the time when the demand was made, as the Chairman may direct.
- 2) Subject to the provisions of the Act, the Chairman of the meeting shall have power to regulate the manner in which a poll shall be taken.
- 3) The result of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken.
105. Where a poll is to be taken, the Chairman of the Meeting shall appoint two scrutineers to scrutinise the votes given on the poll and to report thereon to him. The Chairman shall have power at any time before the result of the poll is declared to remove a scrutineer from office and to fill vacancies in the office of scrutineers arising from such removal or from any other cause and of the two scrutineers appointed under this Article, one shall always be a member (not being an officer or employee of the Company) present at the meeting, provided such a member is available and willing to be appointed.
106. Except on the questions of election of Chairman or adjournment of meeting, the demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.
107. At every Annual General Meeting of the Company there shall be laid on the table the Directors Report, Audited Statement of Accounts, Auditors' report (if not already incorporated in the Audited Statement of Accounts)

**What would be evidence of the passing of a Resolution where Poll not demanded.**

**Demand for Poll.**

**Time and manner of taking poll**

**Scrutineers at poll**

**Demand for poll not to prevent transaction of other business.**

**Reports, Statements and Registers to be laid on the Table.**

the Proxy Register with the proxies and the Register of Directors' Shareholding etc. maintained under Section 307 of the Act. The Auditors' report shall be read before the Company in General Meeting and shall be open to inspection by any member of the Company.

108. A copy of each of the following resolutions (together with a copy of the statement of material facts annexed under Section 173 of the Act to the notice of the meeting in which such resolution has been passed) or agreements shall, within thirty days after the passing or making thereof, be printed or typewritten and duly certified under the signature of an Officer of the Company and filed with the Registrar viz;

**Registration of certain Resolution and Agreement**

- (a) Special resolutions;
- (b) resolutions which have been agreed to by all the members of the Company but which, if not so agreed to, would not have been effective for their purpose unless they had been passed as special resolutions;
- (c) any resolution of the Board or agreement relating to the appointment, re-appointment or the renewal of the appointment or variation of the terms of appointment of Managing Director/s;
- (d) resolution or agreements which have been agreed to by all the members of any class of shareholders but which if not so agreed to, would not have been effective for their purpose unless they had been passed by some particular majority or otherwise in some particular manner and all resolutions or agreements which effectively bind all the members of any class of shareholders though not agreed to by all these members;
- (e) resolutions requiring the Company to be wound-up voluntarily passed in pursuance of sub-section (1) of Section 484 of the Act ;
- (f) resolution according the consent to exercise by the Board of Directors of any of the powers under Clauses (a), (d) and (e) of sub-section (1) of Section 293 of the Act,
- (g) resolution approving appointment of sole-selling agents under Section 294 or Section 294 AA of the Act; and
- (h) copies of the terms and conditions of the appointment of sole selling agents under Section 294 or of sole selling agents or other persons appointed under Section 294 AA of the Act.

**COPY** of every resolution which has the effect of altering the Articles of Association of the Company and a copy of every Agreement referred to in items (c) and (d) above shall be embodied in and annexed to every copy of the Articles issued after the passing of the resolution or the making of the Agreement.

109. The Company shall cause minutes of all proceedings of every General Meeting and of all proceedings of every meeting of its Board of Directors or of every Committee of the Board, to be kept by making within thirty days of the conclusion of every such meeting concerned entries thereof in books kept for that purpose with their pages consecutively numbered. Each

**Minutes of General Meeting and Board meeting.**

page of every such book shall be initialed or signed and the last page of the record of proceedings of such meeting in such books shall be dated and signed (a) in the case of minutes of proceedings of a meeting of the Board or of a Committee thereof, by the Chairman of the said meeting or the Chairman of the next succeeding meeting and (b) in the case of minutes or proceedings of a General Meeting, by the Chairman of the same meeting within the aforesaid period of thirty days or in the event of the death or inability of that Chairman within that period, by a Director duly authorised by the Board for that purpose. In no case the minutes of the proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.

110. The books containing the minutes of General Meetings of the Company shall be kept at the Registered Office of the Company and be open during business hours, to the inspection of any member without charge subject to such reasonable restrictions as the Company may by these Articles or in General Meeting impose in accordance with Section 196 of the Act. Any member shall be entitled to be furnished within the period prescribed by the Act after he has made a request in that behalf to the Company, with a copy of the minutes referred to above, on payment of such sum as may be provided by the Act (thirtyseven paise for every one hundred words or fractional part thereof required to be copied).
111. No report of the proceedings of General Meeting of the Company shall be circulated or advertised at the expense of the Company unless it includes the matters required by these Articles or Section 193 of the Act to be contained in the minutes of the proceedings of such meeting.

**Inspection of Minute Books of General Meetings.**

**Publication of reports of proceedings of General Meetings.**

#### VOTES OF MEMBERS

112. Subject to the provisions of the Act and these Articles, votes may be given either by a member present personally or by an attorney or by proxy or in the case of a body corporate by a representative duly authorised under Section 187 of the Act.
113. Subject to the provisions of the Act (and particularly of Sections 87, 88 and 92(2) thereof) and of these Articles;
- (1) Upon a show of hands every member, holding equity shares and entitled to vote and present in person (including an attorney or a representative of a body corporate as mentioned in Article 112) shall have one vote.
  - (2) Upon a poll, the voting right of every member holding equity shares and entitled to vote and present in person (including a body corporate present as aforesaid) or by attorney or by proxy shall be in proportion to his share of the paid-up equity capital of the Company;
  - (3) The voting right of every member holding preference shares shall upon a show of hands or upon a poll be subject to the provisions, limitations and restrictions laid down in Section 87 of the Act.
114. No member present only by proxy shall be entitled to vote on a show of hands unless such member is a body corporate present by attorney or

**Votes may be given by proxy or attorney**

**Voting rights**

**No voting by proxy on show of hands**



representative duly authorised under Section 187 of the Act in which case such attorney or representative may vote on a show of hands as if he were an individual member of the Company.

115. 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 or be reckoned in a quorum or exercise any other privilege as a member unless all calls or other sums presently payable by him in respect of shares held by him in the Company have been paid.
116. Any person entitled under the Transmission Clause (Article 66 hereof) to transfer any shares may vote at any General Meeting in respect thereof as if he was the registered holder of such shares, provided that at least forty-eight 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 Board of his right to transmission on such shares, unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.
117. On a poll taken at a meeting of the Company, A member entitled to more than one vote, or his proxy, or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes; or cast in the same way, all the votes he uses.
118. If any shareholder be a lunatic, idiot or non-composmentis, the vote in respect of his share or shares shall be by his committee or other legal guardian;
- 119.(1) Any member entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person (whether a member or not) as his proxy to attend and vote (on a poll) instead of himself but a proxy so appointed shall not have any right to take part in the discussion at the meeting.
- (2) Every proxy shall be appointed by an Instrument in writing signed, by the appointer or his attorney duly authorised in writing or, if the appointer is a body corporate, be under its Seal or be signed by an officer or an attorney duly authorised by it;
120. The instrument appointing a proxy, and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy thereof, shall be deposited at the Office of the Company or at such place or places (if any) as may be specified for that purpose in the Notice convening the meeting, 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 the taking of the poll; and in default the instrument of proxy shall not be treated as valid. An attorney shall not be entitled to vote unless the power of attorney or other instrument appointing him or a notarially certified copy thereof has either been registered in the records of the Company at any time not less than forty-eight hours before the time for holding the meeting at which the attorney proposes to vote or in the case of a poll not less than 24 hours before the time appointed for the taking of the poll or is deposited at the Office of the Company not less

**No member to vote unless calls are paid-up**

**Vote in respect of share of deceased, insolvent member**

**Right of member to use his votes differently.**

**How members non-composmentis or minors may vote**

**Proxies.**

**Deposit of instrument of appointment**

than forty-eight hours before the time fixed for such meeting or in the case of a poll, not less than 24 hours before the time fixed for such poll as aforesaid. Notwithstanding that a power of attorney or other authority has been registered in the records of the Company, the Company may by notice in writing addressed to the member of the attorney given at least fourteen days before the meeting, require him to produce the original power of attorney or authority and unless the same is thereupon deposited with the Company not less than forty-eight hours before the time fixed for the meeting, the attorney shall not be entitled to vote at such meeting unless the Directors in their absolute discretion excuse such non-production and deposit.

No instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution.

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|------|--|--|
| 121. | An instrument appointing a proxy shall be in the forms prescribed under the Act.   | <b>Form of proxy</b>   |
| 122. | If any such instrument of appointment be confined to the object of appointing an attorney or proxy, it shall remain permanently or for such time as the Directors may determine, in the 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 its custody.   | <b>Custody of Instruments</b>  |
| 123. | Every member entitled to vote at a meeting of the Company according to the provisions of these Articles on any resolution to be moved thereat shall be entitled, during the period beginning twenty-four hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged, at any time during the business hours of the Company, provided not less than three days notice in writing of the intention to so inspect is given to the Company.   | <b>Inspection of Proxies</b>   |
| 124. | A vote given in accordance with the terms of an instrument of proxy or by an attorney shall be valid, notwithstanding the previous insanity or lunacy or death of the principal, or revocation of the proxy or of any power of attorney, as the case may be, or of any power of attorney under which such proxy was signed, or the transfer of the share in respect of which the proxy is given, provided that no intimation in writing of the insanity, lunacy, death, revocation or transfer shall have been received at the Registered Office before the meeting. | <b>Validity of votes given by proxy notwithstanding death, etc. of member.</b> |
| 125. | Subject to the provisions of the Act and these Articles, 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 or by any means hereby authorised and not disallowed at such meeting or poll, shall be deemed valid for all purposes of such meeting or poll whatsoever.  | <b>Time for objection to votes</b>   |
| 126. | Subject to the provisions of the Act and these Articles, the Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting, and at the taking of a poll, shall be the sole judge of the validity of every vote tendered at such poll.   | <b>Chairman of any meeting to be the judge of validity of any vote</b>         |

127. HPCL and ONGC shall not vote as to affect the right of the other adversely  
**DIRECTORS** **Votes of HPCL and ONGC**

\* \*128A) Unless otherwise determined and subject to the Act Regulations, Guidelines and Listing Agreement the Board of Directors of the Company shall consist of 16 (Sixteen)<sup>®</sup> Directors. **Number of Directors**

\*\*128B) Upon the Company becoming a subsidiary of ONGC :

- (a) Subject to the provisions of Article 151 hereof, ONGC shall have the right to nominate six Directors (ONGC Nominee Directors).
- (b) Subject to the provisions of Article 151 hereof, HPCL, as long as it is a shareholder of the Company, shall have the right to nominate two Non-Executive Directors (HPCL nominee Directors);
- (c) The Chairperson shall be nominated by ONGC and shall not be a wholetime director. The chairperson shall have no casting vote.
- (d) ONGC and HPCL shall exercise their respective voting rights in relation to the shares owned by them so that the Board of Directors is constituted and functions as per the provisions of the SHA;

\*\* 128.C) The Board of Director shall meet at least once every Calendar quarter.

\*\*\* 129. Deleted.

\*\*\* 130. Deleted.

131. (a) The Company shall, subject to the provisions of the Act, be entitled to agree with any person, firm or corporation that he or it shall have the right to appoint his or its nominee on the Board of Directors of the Company upon such terms and conditions as the Company may deem fit. Such nominees and their successors in office appointed under this Article shall be called 'Special Directors' of the Company. **Special Directors**
- (b) The Special Directors appointed under sub-clause (a) above shall be entitled to hold office until requested to retire by the person, firm, or corporation who may have appointed him/them and will not be bound to retire by rotation or be subject to Article 151 and 152 of the Articles of Association of the Company. As and whenever a Special Director vacates office whether upon request as aforesaid or by death, resignation or otherwise, the person, firm

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\* Article 128 (A) Adopted in the Extraordinary General Meeting held on 28<sup>th</sup> March, 2003

\*\* Article 128 (B) & 128 (C) Adopted in the Annual General Meeting held on 27<sup>th</sup> September, 2004.

\*\*\* Article 129 & 130 Deleted in the Extraordinary General Meeting held on 28<sup>th</sup> March, 2003

\*-amended in the Annual General Meeting held on 19<sup>th</sup> September, 2009

or corporation who appointed such Special Director, may appoint any other Director in his place. The Special Director may at any time by notice in writing to the Company resign his office.

132. Any Trust Deed for securing debenture if so arranged, may provide for the appointment from time to time by the Trustees thereof or by the holders of the debentures of some person to be a Director of the Company and may empower such trustees or holders of debentures from time to time to remove any Director so appointed. A Director appointed under this Article is herein referred to as "Debenture Director" and the term "Debenture Director" means a Director for the time being in office under this Article. A Debenture Director shall by notice in writing to the Company resign his office.

**Debenture  
Directors**

133. The Board of Directors of the Company may appoint an Alternate Director to act for a Director (hereinafter called "the Original Director") during his absence for a period of not less than three months from the State in which the meetings of the Board are ordinarily held and such appointment shall have effect, and such appointee, whilst he holds office as an Alternate Director, shall be entitled to notice of meetings of the Directors and to attend and vote thereat accordingly. An Alternate Director appointed under this Article shall vacate office if and when the Original Director returns to the said State. If the term of office of the Original Director is determined before he so returns to the said State, any provision in the Act or in these Articles for the automatic reappointment of retiring Directors in default of another appointment, shall apply to the Original Director and not to the Alternate Director.

**Appointment  
of Alternate  
Director**

- \* 134. The Managing Director and /or Wholetime Directors appointed by the President of India can be Non-retiring provided that the number of such Wholetime Director/Managing Director does not exceed one third of the total number of Directors of the Company".

**Non-Retiring  
Directors**

135. Any whole time director or Managing Director shall be subject to superintendence and control of the Board of Directors of the Company. The Managing Director shall have the authority to manage the business operations of the company.

**Whole Time  
Directors to act  
under Board**

\*\*\* 136. Deleted

137. Subject to the provisions of the Act, the party nominating a non-retiring Director alone shall have the right to terminate his nomination as Director at any time and on a vacancy being caused in the office of such non-retiring Director either by way of death, resignation, removal or otherwise, the party entitled to nominate such non-retiring Director shall nominate another person in the vacancy so caused.

**Right of nomina-  
tion / termina-  
tion  
of non-retiring  
Director**

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\* Article 134 Adopted in the Annual General Meeting held on 27<sup>th</sup> September, 2004.

\*\*\* Article 136 Deleted in the Extraordinary General Meeting held on 28<sup>th</sup> March, 2003.

- \* 138. ONGC / HPCL may nominate alternate directors in place of the directors nominated by them and shall fill in any vacancy by such nomination and also terminate the nomination of any director (whether alternate or otherwise) so nominated and nominate another in his place. Other directors may propose the appointment of alternate directors for themselves and the Board of Directors shall, after due consideration, appoint an alternate director for such director making the proposal to the Board of Directors
- Right of nomination / termination of Alternate Director.**
139. Subject to Article 128, the provisions of Section 284(6) and other applicable provisions (if any) of the Act, if the office of a Director appointed by the Company in General Meeting is vacated before expiry of term of said office in the normal course, the resulting casual vacancy may, in default of and subject to any Regulation contained in these Articles, be filled by the Board of Directors at a meeting of the Board. Any person so appointed shall hold office only upto the date upto which the Director in whose place he is appointed would have otherwise held office if it had not been vacated as aforesaid.
- Casual Vacancy**
140. Subject to Article 128, the provisions of Section 260 and 284(6) and other applicable provisions (if any) of the Act, Directors shall have power at any time, and from time to time, to appoint a person as an Additional Director. Such Additional Director shall hold office only upto the date of the next Annual General meeting of the Company, but shall be eligible for election by the Company at that meeting as a Director; provided that the number of Directors and Additional Directors together shall not exceed the maximum strength fixed for the Board by Article 128 hereof.
- Appointment of Additional Director**
- \*\*141. A Director of the Company shall not be required to hold any qualification shares in the Company.
- Qualification Shares**
- \*\*\*142. Subject to the applicable provisions, if any, of the Act, the remuneration payable to the Directors of the Company may be as hereinafter provided:
- Remuneration of Directors.**
- (1) The Fees payable to a Director for attending a Meeting of the Board or Committee thereof shall be decided by the Board of Directors from time to time within the maximum limits of such fees that may be prescribed by the Act or the Central Government or if not so prescribed, in such manner as the Directors may decide from time to time in conformity with the provisions of law. The Directors shall be paid such further remuneration, if any, either on the basis of percentage on the net profits of the company or otherwise as the company in General Meeting shall from time to time determine and such additional remuneration and further remuneration, shall be divided amongst Directors in such proportion and manner as the Board may from time to time determine, and in default of such determination, shall be divided amongst the Directors equally."
- (2) The Board of Directors may in addition allow and pay to any Director who is not a bonafide resident of the place where a meeting of the Board or Committee is held and who shall come to that place for the purpose of attending the meeting, such sum as the Board may consider fair compensation for his travel, hotel, boarding, lodging and other expenses incurred in attending meetings of the Board of Directors, or any Committee thereof or General Meeting of the Company

\* Article 138 Adopted in the Extraordinary General Meeting held on 28<sup>th</sup> March, 2003.

\*\* Article 141 Adopted in the Annual General Meeting held on 21<sup>st</sup> July, 1992.

\*\*\* Article 142 Revised in the Annual General Meeting held on 27<sup>th</sup> Sept., 2004.

- (3) Subject to the limitations provided by the Act and this Article, if any Director shall be called upon to go or reside out of his usual place of residence on the Company's business or otherwise perform extra service outside the scope of his ordinary duties, the Board may arrange with such Director for such special remuneration for such service either by way of salary, commission, or the payment of a stated sum of money as they shall think fit, in addition to or in substitution of his remuneration above provided.
- (4) All the Directors shall be entitled to be paid or reimbursed or repaid any travelling, hotel and other expenses incurred or to be incurred in connection with the business of the Company.
143. The continuing Directors may act notwithstanding any vacancy in their body, but so that, subject to the provisions of the Act, if the number falls below the minimum above fixed and notwithstanding the absence of a quorum. The Directors may act for the purpose of increasing the number of Directors to that fixed for the quorum or for summoning a General Meeting of the Company.
- 144.(1) Subject to Section 283(2) of the Act, the office of a Director shall become vacant if:
- (a) he is found to be of unsound mind by a Court of competent jurisdiction; or
  - (b) he applies to be adjudicated an insolvent; or
  - (c) he is adjudged an insolvent; or
  - (d) he fails to pay any call made on him in respect of shares of the Company held by him, whether alone or jointly with others, within six months from the last date fixed for the payment of call; unless the Central Government has, by notification in the Official Gazette, removed the disqualification incurred by such failure; or
  - (e) he accepts or holds any office or place of profit under the Company or any subsidiary thereof in contravention of Section 314 of the Act; or
  - (f) 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
  - (g) 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
  - (h) he has become disqualified pursuant to the provisions of

Directors may  
act not-  
withstanding  
vacancy

Office of  
Director to  
become vacant

Section 274 or pursuant to an order of the Court or the National Company Law Tribunal under Section 203 of the Act.

- (i) he acts in contravention of Section 299 of the Act, or he is removed in pursuance of Section 284 of the Act; or
  - (j) he is convicted by a Court of any offence involving moral turpitude and sentenced in respect thereof to imprisonment for not less than six months; or
  - (k) he having been appointed a Director by virtue of his holding any office or other employment in the Company, ceases to hold such office or other employment in the Company.
- (2) Subject to the provisions of the Act, a Director may resign from his office at any time by notice in writing addressed to the Company or to the Board of Directors.

#### **Resignation**

- 145.(1) A Director or his relative, a firm in which such Director or relative is a partner, any other partner in such firm, or a private company of which the Director is a member or director, may enter into any contract with the Company for the sale, purchase or supply of any goods, materials or services or for underwriting the subscription of any shares in or debentures of the Company, provided that the sanction of the Board is obtained before or within three months of the date on which the contract is entered into in accordance with Section 297 of the Act.

#### **Director may contract with the Company**

- (2) No sanction however shall be necessary to:

- (a) any purchase of goods and materials from the Company, or the sale of goods or materials to the Company, by any such Director, relative, firm, partner or private company as aforesaid for cash at prevailing market prices; or
- (b) any contract or contracts between the Company on one side and any such Director, relative, firm, partner or private company on the other for sale, purchase or supply of any goods, materials and services in which either the Company or the Director, relative, firm, partner or private company, as the case may be, regularly trades or does business where the value of the goods and materials or the cost of such services do not exceed Rs. 5000/- in the aggregate in any year comprised in the period of the contract or contracts. Provided that in circumstances of urgent necessity, the Company may without obtaining the Consent of the Board enter into any such contract or contracts with the Director, relative, firm, partner or private company even if the value of such goods or materials or the cost of such services exceeds Rs. 5000/- in the aggregate in any year comprised in the period of the contract, but the consent of the Board shall be obtained to such contract or contracts at a meeting within three months of the date on which the contract was entered.

146. A Director of the Company who is in any way, whether directly or indirectly, concerned or interested in a contract or arrangement entered

#### **Disclosure of interest**

into, or a proposed contract or arrangement to be entered into by or on behalf of the Company, shall disclose the nature of his concern or interest at a meeting of the Board in the manner provided in Section 299(2) of the Act. A general notice given to the Board by the Director, to the effect that he is a Director or member of a specified body corporate or is a member of a specified firm and is to be regarded as concerned or interested in any contract or arrangement which may, after the date of the notice, be entered into with that body corporate or firm, shall be deemed to be a sufficient disclosure of concern or interest in relation to any contract or arrangement so made. Any such general notice shall expire at the end of the financial year in which it is given but may be renewed for further periods of one financial year at a time by a fresh notice given in the last month of the financial year in which it would have otherwise expired. No such general notice, and no renewal thereof shall be of effect unless, either it is given at a meeting of the Board or the Director concerned takes reasonable steps to secure that it is brought upon and read at the first meeting of the Board after it is given.

147. Nothing contained in clauses 145 and 146 hereof shall apply to any contract or arrangement entered into or to be entered into between the Company and any other company, where any one of the Directors of the Company or two or more of them together holds or hold not more than 2% of the paid-up Share Capital in the other company.

**When Board's sanction, disclosure of interest not necessary.**

148. No Director shall take any part in the discussion of or vote on any contract or arrangement entered into or to be entered into by or on behalf of the Company, if he is in any way, whether directly or indirectly, concerned or interested in such contract or arrangement; nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote, and if he does vote, his vote shall be void. Nothing herein contained shall apply to :-

**Interested Director not to participate or vote in Board's proceedings.**

(a) any contract of indemnity against any loss which the Director, or any one or more of them, may suffer by reason, of becoming or being sureties or a surety for the Company.

(b) any contract or arrangement entered into or to be entered into with a public company or a private company which is a subsidiary of a public company in which the interest of the Director consists solely :-

(i) in his being

(a) a Director of such company, and

(b) the holder of not more than shares of such number or value therein as is requisite to qualify him for appointment as a Director thereof, he having been nominated as such Director by the Company, or

(ii) in his being a member holding not more than 2% of paid up share capital of such Company.

149.(1) The Company shall keep one or more Registers in which shall be entered separately particulars of all contracts or arrangements to which Section

**Register of contracts in which Directors**



297 or Section 299 of the Act applies, including the following particulars **are interested.**  
to the extent they are applicable in each case, namely :

- (a) the date of the contract or arrangement;
  - (b) the names of the parties thereto;
  - (c) the principal terms and conditions thereof;
  - (d) in the case of a contract to which Section 297 of the Act applies or in the case of a contract or arrangement to which sub-section (2) of Section 299 of the Act applies, the date on which it was placed before the Board;
  - (e) the names of the Directors voting for and against the contract or arrangement and the names of those remaining neutral.
- (2) Particulars of every such contract or arrangement to which Section 297 of the Act or, as the case may be, sub-section (2) of Section 299 of the Act applies, shall be entered in the relevant Register aforesaid:-
- (a) in the case of contract or arrangement requiring the Board's approval, within seven days (exclusive of public holidays) of the meeting of the Board at which the contract or arrangement is approved;
  - (b) in the case of any other contract or arrangement, within seven days of the receipt at the Registered Office of the Company of the particulars of such other contract or arrangement or within thirty days of the date of such other contract or arrangement whichever is later.

and the Register shall be placed before the next meeting of the Board and shall then be signed by all, the Directors present at the meeting.

- (3) The Register aforesaid shall also specify, in relation to each Director of the Company, the names of the firms and bodies corporate of which notice has been given by him under sub-section (3) of Section 299 of the Act,
- (4) Nothing in the foregoing Clauses (1), (2) and (3) shall apply to any contract or agreement for the sale, purchase or supply of any goods, materials or services, if the value of such goods and materials or the cost of such services does not exceed one thousand rupees in the aggregate in any year.

150. A Director may be, or become a Director of any Company promoted by the Company, or in which it may be interested as a vendor, shareholder, or otherwise, and no such Director shall be accountable for any benefits received as Director or shareholder of such Company except in so far as Section 309(6) or Section 314 of the Act may be applicable.

**Director may be  
Directors of  
Companies  
promoted by the  
Company**

**RETIREMENT BY ROTATION OF DIRECTORS**

- 151.(1) At every Annual General Meeting of the Company, one third of such of the Directors for the time being as are liable to retire by rotation or, if their number is not three or a multiple of three, then the number nearest to one-third, shall retire from office. **Retirement by rotation**
- (2) Subject to what is provided in the foregoing Article, not less than two-thirds of the total number of Directors of the Company shall be persons whose period of office is liable to determination by retirement of Directors by rotation and, save as otherwise expressly provided in the Act and these Articles, be appointed by the Company in General Meeting.
- (3) The remaining Directors shall be appointed in accordance with the provisions of these Articles.
152. Subject to the provisions of the Act and the foregoing Articles, the Directors to retire by rotation at every Annual General Meeting shall be those who have been longest in office since their last appointment, but as between persons who became Directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves be determined by lot. A retiring Director shall retain office until the conclusion of the meeting at which his reappointment is decided or his successor is appointed. **Ascertainment of Directors retiring by rotation.**
153. The retiring Director/s shall be eligible for reappointment. **Eligibility for re-appointment**
- 154.(1) Subject to the provisions of the Act, the Company, at the Annual General Meeting at which a Director retires in the manner aforesaid, may fill up the vacancy by electing the retiring Director or some other person thereto. **Company to fill up vacancy**
- (2) If the place of the retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that is a public holiday the next succeeding day which is not a public holiday at the same time and place.
- (3) If at the adjourned meeting also, the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been re-appointed at the adjourned meeting, unless:-
- (a) at that meeting or at the previous meeting a resolution for the re-appointment of such Director has been put to the meeting and lost;
  - (b) the retiring Director has, by a notice in writing addressed to the Company or its Board of Directors, expressed his unwillingness to be so re-appointed.
  - (c) he is not qualified or is disqualified for re-appointment;
  - (d) a resolution, whether special or ordinary, is required for the appointment or re-appointment by virtue of any provisions of the Act; or

- (e) Article 157 or the proviso to sub-section (2) of Section 263 of the Act is applicable to the case;
155. (1) Subject to the provisions of the Act and these Articles, any person who is not a retiring Director shall be eligible for appointment to the office of Director at any General Meeting, if he or some member intending to propose him has, not less than fourteen days before the meeting left at the office of the Company a notice in writing under his hand signifying his candidature for the office of Director or the intention of such member to propose him as a candidate for that office, as the case may be. The Company shall duly comply with the provisions of Section 257 of the Act for informing its members of the candidature of a person for the office of Director.
- (2) Every person (other than "a Director retiring by rotation or other wise or" a person who has left at the office of the Company a notice under Section 257 of the Act, signifying his candidature for the Office of Director) proposed as a candidate for the office of a Director shall sign and file, with the Company his consent in writing to act as a Director, if appointed.
- (3) A person other than a Director re-appointed after retirement by rotation or immediately on the expiry of his term of office or Director referred to in sub-section (2b) of Section 264 of the Act; or a person named as a Director of the Company under its Articles as first registered, shall not act as a Director of the Company unless he has within thirty days of his appointment signed and filed with the Registrar his consent in writing to act as such Director.
156. At a General Meeting of the Company a motion shall not be made for the appointment of two or more persons as Directors of the Company by a single resolution, unless a resolution that it shall be so made has first been agreed to by the meeting without any vote being given against it. A resolution moved in contravention of this Articles shall be void whether or not objection was taken at the time to its being so moved; Provided that where a resolution so moved is passed, no provision for the automatic re-appointment of the Directors retiring by rotation in default of another appointment shall apply.

**Notice of  
candidature of  
Director.**

**Individual reso-  
lution for Direc-  
tors' appoint-  
ment**

#### **INCREASE OR REDUCTION IN THE NUMBER OF DIRECTORS**

157. Subject to the provisions of the Act and these Articles, the Company may by ordinary resolution increase or reduce the number of Directors within the limits fixed by Article 128.

**The Company  
may increase or  
reduce number  
of Directors**

#### **MANAGING AND WHOLE TIME DIRECTORS**

- \* 158. So long as the company is a Government company within the meaning of Section 617 of the Act, the Managing Director of the Company shall be appointed by the President of India in consultation with the Chairman of the Company on such terms & conditions. Remuneration and tenure as the President of India may determine from time to time.

**Appointment of  
Managing  
Director**

- \*158 – A (i) So long as the Company is a Government Company within the meaning of Section 617 of the Act, the President of India shall, subject further to the provisions of Section 255 of the Act, appoint, in consultation with Chairman of the Company, such number of Wholetime Director as deemed fit on such terms & conditions, remuneration and tenure as the President of India may from time to time determine.
- \*158 – A(ii) Subject to the provisions of Article 135 the Board may, from time to time, entrust to, and confer upon the Wholetime Directors for the time being such power as they may think expedient, and may, from time to time, revoke, withdraw, alter or vary all or any of such powers.
- \*158 – B. Subject to the provisions of Article 135 the Board may, from time to time, entrust to, and confer upon the Managing Director for the time being such powers as they may think fit for such time 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 of such powers, exclusive of the power expressly conferred upon the Managing Director under the Articles.
- \*158 – C. The Managing Director may, if so authorized by the Board, further delegate such powers as he thinks fit to other officers and directors of the Company, and such further delegation of powers made by the Managing Director shall be reported at the meeting of the Board of Directors immediately following the date of each such delegation".
159. (1) Subject to the provisions of Section 255 of the Act and Article 151 hereof, a Managing Director shall not while he continues to hold that office be subject to retirement by rotation and he shall not be taken into account for determining the rotation or retirement of Directors.
- \*\*159. (2) Deleted
- \*\*160. Deleted
161. Subject to the provisions of the Act and to the terms of any contract with him or them the Managing Director or Managing Directors shall have the whole or substantially the whole, of the Management of the affairs of the Company.

**To what provision shall he be subject.**

**Powers and Duties of Managing Directors.**

#### PROCEEDINGS OF BOARD OF DIRECTORS

162. The Directors may meet together as a Board for the despatch of business from time to time and in accordance with Section 285 of the Act, a meeting of Board of Directors shall be held at least once in every three months and at least 4 such Meetings shall be held in every year. The Directors may adjourn and otherwise regulate their meetings and proceedings as they think fit. The Managing Director/s, Manager or the Secretary may at any time and at the request of the Director shall convene a meeting of Board.

**Meetings of Directors**

\* Article 158, 158 A (i), 158 A (ii), 158 B & 158 (C) Adopted in the Annual General Meeting held on 27<sup>th</sup> September, 2004.

\*\* Article 159 (2), 160 Deleted in the Annual General Meeting held on 27<sup>th</sup> September, 2004.

\*163. Notice of every meeting of Board of Directors of the Company shall be given in writing to every Director for the time being in India and at his usual address in India to every other Directors. However, in respect of Board meetings where any of the items specified in Article 168 B is to be taken up for consideration, notice of not less than 7 (seven) days shall be given to ONGC and HPCL in addition to the notices to the members of the Board, unless ONGC and HPCL have agreed on behalf of their Directors to a shorter notice in writing.

### Notice of meeting of Directors

\*164. Subject to the provision of Section 287 of the Companies Act, the quorum for the meeting of the Board of Directors shall be  $1/3^{\text{rd}}$  of its total strength (excluding the number of directors, if any, whose places may be vacant at the time) and any fraction contained in that  $1/3^{\text{rd}}$  being rounded off as one(1), or two(2) directors, whichever is higher. Provided, however, that at least one(1)<sup>®</sup> director nominated by ONGC is present. Provided further that where at any time the number of interested directors exceed or is equal to  $2/3^{\text{rd}}$  of its total strength, the number of remaining directors that is to say the number of directors who are not interested and present at the meeting being not less than two(2) shall be the quorum during such time.

### Quorum

However the presence of at least one HPCL Nominee Director and one ONGC Nominee Director shall be necessary for a validly constituted quorum at the meetings at which the resolution for any of the matters mentioned in Article 168B is to be taken up for consideration as long as HPCL is the Shareholder of the Company.

165. If a meeting of the Board could not be held for want of a quorum, then subject to the provisions of Article 164, the meeting shall stand adjourned to such day, time and place as the Director or Directors, present at the meeting may fix.

### Adjournment of meeting for want of quorum

166. All meetings of the Directors shall be presided over by the Chairman, if present, but if at any meeting of Directors the Chairman is not present within 15 minutes of the time appointed for holding the same, then and in that case the Directors present shall choose one of the Directors then present to preside over the meeting.

### Who to preside at meetings of the Board.

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

### Powers of Board's Meeting.

\*168. Questions arising at any meeting of the Board shall be decided by a majority of votes. The Chairman shall not have any casting vote. However the vote of the majority of the Board of Directors must, subject to the provisions of the Act, include the affirmative votes of at least two (2) directors nominated by ONGC in respect of the following matters:-

### Exercise of Board's Powers

- (a) Adopting of the Company's annual budget setting forth the receipts and payments and any revision thereof;
- (b) Any disposition of funds not authorized by the budget referred to above;
- (c) Selection of technology and process know-how;

\* Article 164 Adopted in the Extraordinary General Meeting held on 28<sup>th</sup> March, 2003.

- (d) Award of contracts exceeding Rs. 5 crore (Rupees five crore);
  - (e) Disposal/sale of assets (other than immovable) exceeding Rs. 5 crore (Rupees five crore);
  - (f) Purchase/sale of immovable property exceeding Rs. 2 crore (Rupees two crore);
  - (g) Diversification in non-allied fields;
  - (h) Borrowings exceeding Rs. 5 crore (Rupees five crore);
  - (i) Utilization of surplus funds otherwise than in the ordinary course of business;
  - (j) Investment proposals exceeding Rs. 1 crore (Rupees one crore) and cost over-runs beyond 20% (twenty per cent) for such projects;
  - (k) Declaration of dividend;
  - (l) Pricing and supply terms for products not subject to the administered price scheme; and
  - (m) Amendment(s) to the Memorandum and Articles of Association.
- B) As long as HPCL is a Shareholder of the Company, no decision shall be valid in respect of any matter listed below in a meeting of the board, except with an affirmative vote of at least one HPCL nominee director.
- (a) sale / disposal of the whole or the substantially whole of the undertaking of MRPL; (b) the issue of shares on a preferential allotment basis, with the exception of the issue of shares, preference shares and non-convertible debentures being made in March / April 2003 pursuant to the debt restructuring package of fered by the Lenders.;
  - (c) any proposal to merge MRPL with ONGC or any other organisation
169. Subject to the provisions of Section 292 and other applicable provisions, if any, of the Act, and subject to these Articles, the Directors may delegate any of their powers to committee consisting of such member or members of their body as they think fit, and they may from time to time revoke and discharge any such Committee, either wholly or in part, and either as to persons or purposes, but every Committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on it by the Directors. All acts done by any such Committee in conformity with such regulations and in fulfillment of the purposes of their appointments but not otherwise, shall have the like force and effect as if done by the Board. Subject to the provisions of the Act, the Board may from time to time fix the remuneration to be paid to any member or members of that body constituting a Committee appointed by the Board in terms of these Articles, and may pay the same.
170. The meeting and proceedings of any such Committee shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto, and are not superseded by any regulations made by the Directors under the last preceding Article.
- 171.(1) Subject to the provisions of Section 292 and the other applicable provisions of the Act, where the Board of Directors of the Company are required to exercise the powers stated therein by means of resolutions

**Directors may  
appoint Committee**

**Meetings of  
Committees how  
to be governed**

**Resolution by  
circulation**

passed at meeting of the Board, a resolution passed by circulation, without a meeting of the Board or a Committee of the Board appointed under Article 169 shall, subject to the provisions of sub-clause (2) hereof be as valid and effectual as a resolution duly passed, at a meeting of the Directors or of a Committee duly called and held.

- (2) A resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation, if the resolution has been circulated in draft, together with the necessary papers, if any, to all the Directors or to all the Members of the Committee (forming Quorum) at their respective addresses registered with the Company and has been approved by a majority of the Directors or members of the Committee as are entitled to vote on the resolution. However, at least two directors nominated by ONGC should consent to the passing of the Resolution and at least one HPCL Nominee Director should consent for resolutions relating to issues mentioned in Article 168 (B) as long as HPCL is the Shareholder of the Company.

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

**Acts of Board or Committee valid notwithstanding informal appointment**

- 173.(1) The Company shall cause minutes of all proceedings of every meeting of the Board to be kept by making within thirty days of the conclusion of every such meeting entries thereof in books kept for that purpose with their pages consecutively numbered.

**Minutes of proceedings of meetings of the Board.**

- (2) Each page of every such book shall be initialled or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting.
- (3) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.
- (4) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.
- (5) All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meeting.

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\* Article 171 (2) Adopted in the Extraordinary General Meeting held on 28<sup>th</sup> March, 2003.

- (6) The minutes shall also contain -
- (a) the names of the Directors present at the meeting, and
  - (b) in the case of each resolution passed at the meeting, the names of the directors, if any, dissenting from, or not concurring in, the resolution.
- (7) Nothing contained in sub-clauses (1) to (6) shall be deemed to require the inclusion in any such minutes of any matters which in the opinion of the Chairman of the meeting -
- (a) is, or could reasonably be regarded as, defamatory of any person;
  - (b) is irrelevant or immaterial to the proceedings, or,
  - (c) is detrimental to the interests of the Company.

The Chairman shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the ground specified in this sub- clause.

- (8) Minutes of meetings kept in accordance with the aforesaid provisions shall be evidence of the proceedings recorded therein.

#### **POWERS OF DIRECTORS**

- 174.(1) Subject to the provisions of the Act and these Articles, the Board of Directors of the Company shall be entitled to exercise all such powers, and to do all such acts and things, as the Company is authorised to exercise and do; Provided that the Board shall not exercise any power or do any act or thing which is directed or required, whether by the Act or any other Act or by the Memorandum or these Articles or otherwise to be exercised or done by the Company in general meeting; Provided further that in exercising any such power or doing any such act or thing the Board shall be subject to the provisions contained in that behalf in the Act or in the Memorandum or in these Articles or in any regulations not inconsistent therewith and duly made thereunder including regulations made by the Company in General Meeting.
- (2) No regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.
175. The Board of Directors shall not except with the consent of the Company in General Meeting:
- (a) sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking, of the whole, or substantially the whole, of any such undertaking;
  - (b) remit, or give time for the repayment of any debt due by a Director;
  - (c) invest otherwise than in trust securities, the amount of compensation received by the Company in respect of the compulsory acquisition of any such undertaking as is referred to in clause (a) hereof or of any premises or properties used for any such undertaking and without which it cannot be carried on or can be carried on only with difficulty or only after a considerable time;
  - (d) borrow moneys in excess of the limits provided in Article 72 hereof;

**General powers  
of the Directors**

**Consent of  
Company  
necessary for  
exercise of  
certain powers**



- (e) contribute to charitable and other funds not directly relating to the business of the Company or the welfare of its employees, any amounts the aggregate of which will, in any financial year, exceed fifty thousand rupees or five per cent of its average net profits as determined in accordance with the Act during the three financial years, immediately preceding, whichever is greater.

176.(1) Without derogating from the powers vested in the Board of Directors under these Articles the Board shall exercise the following powers on behalf of the Company and they shall do so only by means of resolutions passed at a meeting of the Board;

**Certain powers to be exercised by the Board only at the meeting.**

- (a) The power to make calls on shareholders in respect of money unpaid on their shares;
- (b) The power to issue debentures;
- (c) The power to borrow moneys otherwise than on debentures;
- (d) The power to invest the funds of the Company; (e) The power to make loans.

Provided that the Board may by a resolution passed at a meeting delegate to any Committee of Directors or the Managing Director, or the Manager or any other principal officer of the Company or to a principal officer of any of its branch offices, the powers specified in (c), (d) and (e) of this sub-clause to the extent specified below on such conditions as the Board may prescribe.

- (2) Every resolution delegating the power referred to in sub clause 1 (c) shall specify the total amount outstanding at any one time upto which moneys may be borrowed by the delegate. Provided, however, that where the Company has an arrangement with its Bankers for the borrowing of moneys by way of overdraft, cash credit or otherwise; the actual day to day operation of the said overdraft, cash credit or other accounts by means of which the arrangement made is availed of shall not require the sanction of the Board.
- (3) Every resolution delegating the power referred to in sub clause 1 (d) shall specify the total amount upto which the funds may be invested and the nature of the investments which may be made by the delegate.
- (4) Every resolution delegating the power referred to in sub-clause 1 (e) shall specify the total amount upto which loan may be made by the delegate, the purposes for which the loans may be made and the maximum amount of loans which may be made for each such purpose in individual cases.
- (5) Nothing in this Article contained shall be deemed to affect the right of the Company in General Meeting to impose restrictions and conditions on the exercise by the Board of any of the powers referred to in items (a), (b), (c), (d) and (e) of sub-clause (1) above.

177. Without prejudice to the power conferred by Article 176 and so as not in any way to limit or restrict those powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the last preceding two Articles and in the Act, it is hereby declared that the Directors shall have the following powers, that is to say:
- |   |  |
|---|--|
| <p>(1) To defray all expenses incurred in incorporating and registering the Company.</p>  | <p><b>Specific powers of the Board</b></p> <p><b>To pay expenses</b></p>     |
| <p>(2) To pay any commission or interest lawfully payable under the provisions of Sections 76 and 208 of the Act and Article 28.</p>  | <p><b>To pay commission and interest</b></p>                                 |
| <p>(3) Subject to the provisions of Section 292 and 297 of the Act to purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorised to acquire at or for such price or consideration and generally on such terms and conditions as they may think fit; and in any such purchase or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory.</p>  | <p><b>To acquire property</b></p>  |
| <p>(4) Subject to the provisions of the Act, to purchase or take on lease for any term or terms of years, or otherwise acquire any factories or any land or lands, with or without buildings and out houses thereon, situate in any part of India, at such price or rent, and under and subject to such terms and conditions as the Directors may think fit; and in any such purchase, lease or other acquisition proceedings to accept such title as the Director may believe or may be advised to be reasonably satisfactory.</p>   | <p><b>To purchase lands and factories.</b></p>                               |
| <p>(5) To erect and construct, on the said land or lands, buildings, houses, warehouses, and sheds and to alter, extend and improve the same; to let or lease the property of the Company, in part or in whole, for such rent, and subject to such conditions, as may be thought advisable; to sell such portions of the lands or buildings of the Company as may not be required for the purposes of the Company; to mortgage the whole or any portion of the property of the Company for the purpose of the Company; to sell the whole or any portion of the machinery or stores belonging to the Company.</p>            | <p><b>To erect buildings, etc.</b></p>                                       |
| <p>(6) At their discretion and subject to the provisions of the Act to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partially, in cash or in shares, bonds, debentures, mortgages or other securities of the Company, and any such shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon, and any such bonds, debentures, mortgages or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital if not so charged.</p> | <p><b>To pay for property in Shares, Debentures, etc. and otherwise.</b></p> |

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|-------|---|---|
| (7)   | To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as the Directors may think proper all or any part of the buildings, machinery, goods, stores, produce and other moveable property of the Company either separately or jointly; 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.   | <b>To insure</b>                                  |
| (8)   | 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.  | <b>To open account with Banks</b>                 |
| (9)   | To secure the fulfillment of any contracts, agreements or engagements entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being, or in such manner as the Directors may think fit.   | <b>To secure contracts by mortgage</b>            |
| (10)  | To purchase or otherwise acquire for the Company any property (moveable or immovable), rights, or privileges, at or for such price or consideration and generally on such terms and conditions as the Directors may think fit.  | <b>To purchase moveable or immovable property</b> |
| (11)  | To accept from any member, so far as may be permissible by law, a surrender of his shares or any part thereof, on such terms and conditions as shall be agreed upon.  | <b>To accept surrender of Shares</b>              |
| (12)  | 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 for any other purposes; and to execute and to do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees.  | <b>To appoint Trustee</b>                         |
| *(13) | To institute, conduct, defend, compound, or abandon any legal proceedings, by or against the Company or its officers or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts due, or of any claims or demands by or against the Company, and to refer any claims or demands by or against the Company or any differences to arbitration and observe and perform any awards made thereon, and any reference to arbitration may be in accordance with the provisions of [REDACTED] the Arbitration and Conciliation Act, 1996. | <b>To bring and defend action</b>                 |
| (14)  | To act on behalf of the Company in all matters relating to bankrupts and insolvents.  | <b>To act in insolvency matters</b>               |
| (15)  | To make and give receipts, releases, and other discharges for moneys payable of the Company and for the claims and demands of the company.  | <b>To make and give receipts etc.</b>             |

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\* Article 177 (13) Adopted in the Extraordinary General Meeting held on 28<sup>th</sup> March, 2003.

- (16) Subject to the provisions of Sections 292, 293 (1)(c), 295, 370 and 372 of the Act and Articles 175 (c) and 176 (1) (d) to invest and deal with any moneys of the Company not immediately required for the purpose thereof, upon such security (not being shares of this Company), or without security and in such manner as the Directors may think fit, and from time to time to vary or realise such investments. Provided that save as permitted by Section 49 of the Act, all investments shall be made and held in the Company's own name.
- To invest moneys.**
- (17) 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 whether as principal or surety, for the benefit of the Company, such mortgages of the Company's property (present and future) as the Directors may think fit and any such mortgage may contain a power of sale and such other powers, provisions, covenants and agreements as shall be agreed upon.
- To execute mortgage**
- (18) To determine from time to time who shall be entitled to sign on Company's behalf, bill, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and any other documents and to give the necessary authority for such purpose.
- To authorise acceptance**
- (19) To distribute by way of bonus amongst the staff of the Company a share or shares in the profits of the Company, and to give to any officer or other person employed by the Company a commission on the profits of any particular business or transaction; and to charge such bonus or commission as part of the working expenses of the Company.
- To distribute bonus.**
- (20) To provide for the welfare of the employees or ex-employee of the Company or its predecessors in business and the wives, widows and families or the dependents or connections of such persons by building or contributing to the buildings or houses or dwelling or quarters or by grants of moneys, pensions, gratuities, allowances, bonuses, profit sharing bonuses or benefits or any other payments or by creating and from time to time subscribing or contributing to provident funds and other associations, institutions, funds, profit sharing or other schemes, or trusts and by providing or subscribing or contributing towards places of instructions and recreation, hospitals and dispensaries, medical and other attendances, and other assistance as the Directors shall think fit.
- To provide for welfare of employees.**
- (21) Subject to the provisions of Section 293 and 293A of the Act, to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national, public, political or any other institutions, objects or purposes or for any exhibition.
- To subscribe to charitable and other funds.**
- (22) Before recommending any dividends, to set aside out of the profits of the Company such sums in accordance with the provisions of Act as the Directors may think proper for depreciation to the credit of a Depreciation Fund, General Reserve, Reserve Fund, Sinking Fund or any special or other Fund or Funds or accounts to meet
- To create depreciation and other funds.**

contingencies, to repay Redeemable Preference Shares, or Debentures, for special dividends, for equalising dividends, for repairing, improving, extending and maintaining any part of the property of the Company, and/or for such other purposes, (including the purposes referred to in the last two preceding sub-clauses) as the Directors may, in their absolute discretion think conducive to the interests of the Company and to invest the several sums so set aside or so much thereof as required 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 and vary 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 interests of the Company not with standing that the matters to which the Directors apply or upon which they expend the same or any part thereof may be matters to or upon which the capital money of the Company might rightly be applied or expended and to divide the Reserve, General Reserve or the Reserve Fund into such special funds as the Directors may think fit, and to employ assets constituting all or any of the above funds or accounts, including the Depreciation Funds, in the business of the Company or in the purchase or repayment of Redeemable Preference Shares or Debentures and that without being bound 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 funds interest at such rate as the Directors may think proper.

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| (23) | To appoint, and at their discretion remove or suspend such employees including managers, secretaries, executives, consultants, advisers, officers, assistants, clerks, agents and servants for permanent, temporary or special services as they may from time to time think and to determine their powers and duties, and fix their salaries, emoluments or remunerations and to require security in such instances and to such amounts as they may think fit.  | <b>To appoint employees</b> |
| (24) | 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 desecrations (not exceeding those vested in or exercisable by the Board of Directors under these presents and excluding the powers which may be exercised only by the Board of Directors under the Act or these Articles) and for such period and subject to such conditions as the Board of Directors may from time to time think fit and any such appointment may (if the Board of Directors think fit) be made in favour of 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 of persons whether nominated directly or indirectly by the | <b>Power of Attorney</b>    |

Board of Directors and any such power of attorney may contain such powers for the protection or convenience of persons dealing with such Attorneys as the Board of Directors may think fit and may contain powers enabling any such delegates or Attorney as aforesaid to sub-delegate all or any of the powers, authorities and discretions for the time being vested in them.

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| (25) | Subject to the provisions of the Act and these Articles for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company, 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 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.  | <b>May make contracts</b>           |
| (26) | 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.  | <b>Compliance of local law</b>      |
| (27) | From time to time and at any time to establish any Local Board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any person to be Members of such Local Boards, and to fix their remuneration.   | <b>Establishment of Local Board</b> |
| (28) | Subject to Section 292 of the Act, from time to time, and at any time to delegate to any person so appointed any of the powers, authorities and discretions for the time being vested in the Board, other than their power to make calls or to make loans or borrow moneys; and to authorise the Members for the time being of any such Local Board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be made on such terms, and subject to such conditions as the Board may think fit; and the Board may at any time remove any person so appointed, and may annul or vary any such delegation. | <b>Delegate certain powers</b>      |

#### SECRETARY

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| 178. | The Directors may appoint an individual, as a Secretary of the Company for such term at such remuneration and upon such conditions as they may think fit; and any Secretary so appointed may be removed by them. The Directors may appoint any temporary substitute for the Secretary, who shall, for the purpose of these presents, be deemed to be the Secretary. The Secretary shall be responsible for maintaining registers required to be kept under the Act, for making the necessary returns to the Registrar of Companies under the Act, for getting the necessary documents registered with the Registrar and for carrying out all other administrative and ministerial acts, duties and functions which a Secretary of a Company is normally supposed to carry out, such as giving the necessary notice to the members, preparing minutes of the meetings of members and of Directors and of any Committee of Directors and maintaining minutes books and | <b>Secretary</b> |
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other statutory documents and he shall carry out and discharge such other functions and duties as the Directors or the Managing Director or the Manager may from time to time require him to do.

#### THE SEAL

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| 179. | The Board 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 seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by or under the authority of the Board or a Committee of Directors.                         | <b>The seal its custody and use.</b> |
| 180. | Every deed or other instrument to which the Seal of the Company is required to be affixed shall unless the same is executed by a duly constituted attorney of the Company, be signed by one Director or some other person appointed by the Directors for this purpose in whose presence the Seal shall have been affixed. A certificate of shares shall be signed as provided in Article 24(a). | <b>Deeds how executed</b>            |
| 181. | The Company may exercise the powers conferred by Section 50 of the Act and such powers shall accordingly be vested in the Board.  | <b>Seal Abroad</b>                   |

#### DIVIDENDS

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| 182. | The majority of Directors, subject to the consent of atleast two directors nominated by ONGC may from time to time, in their discretion recommend a dividend to be paid to the members according to their rights and interests in the profits and in proportion to the number of their shares and the amount paid up thereon. Dividend if recommended by the Board, may be declared at Annual General Meeting but not larger than recommended by the Directors, but the Company in General Meeting may declare a smaller dividend. | <b>How declared</b>                              |
| 183. | No dividend shall be declared or paid otherwise than out of profits of the financial year arrived at after providing for depreciation in accordance with the provisions of Section 205 of the Act or out of the profits of the Company for any previous financial year or years arrived at after providing for depreciation in accordance with these provisions and remaining undistributed or out of both;  | <b>Dividends only to be paid out of profits.</b> |

Provided that -

- (a) if the Company has not Provided for depreciation for any previous financial year or years it shall, before declaring or paying a dividend for any financial year provide for such depreciation out of the profits of that financial year or out of the profits of any other previous financial year or years;
- (b) if the Company has incurred any loss in any previous financial year or years, the amount of the loss or an amount which is equal to the amount provided for depreciation for that year or those years whichever is less, shall be set off against the profits of the Company for the year for which the dividend is proposed to be declared or paid or against the profits of the Company for any

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\* Article 182 Adopted in the Extraordinary General Meeting held on 28<sup>th</sup> March, 2003.

previous financial year or years, arrived at in both cases after providing for depreciation in accordance with the provisions of sub-section (2) of Section 205 of the Act or against both.

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| 184.  | The Board may from time to time, pay to the Members such interim dividend as in their judgement the position of the Company justifies.  | <b>Interim dividend</b>  |
| 185.  | Where capital is paid in advance of calls upon the footing that the same shall carry interest, such capital shall not whilst carrying interest, confer a right to participate in profits.   | <b>Capital paid-up in advance at interest not to earn dividends.</b>                                 |
| 186.  | The Company shall pay dividends in proportion to the amount paid-up or credited as paid-up on each share, where a larger amount is paid up or credited as paid-up on some shares than on others.  | <b>Dividends in proportion to amount paid-up.</b>  |
| 187.  | The Board may retain the dividends payable upon shares in respect of which any person is under Article 66, hereof entitled to become a Member, or which any person under that Article is entitled to transfer, until such person shall become a Member, in respect of such shares or shall duly transfer the same.  | <b>Retention of dividends until completion of transfer under Article 66.</b>                         |
| 188.  | Any one of several persons who are registered as the joint holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends or bonus or other moneys payable in respect of such shares.   | <b>Dividend etc. to joint-holders.</b>   |
| 189.  | No Member shall be entitled to receive payment of any interest or dividend in respect of his share or shares, whilst any money be due or owing from him to the Company in respect of such share or shares or otherwise however, either alone or jointly with any other person or persons; and the Board may deduct from the interest or dividend payable to any member all sums of money so due from him to the Company.  | <b>No member to receive dividend whilst indebted to the Company's right of reimbursement thereof</b> |
| 190.  | A transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.   | <b>Transfer of Shares must be registered.</b>  |
| 191.  | Unless otherwise directed any dividend may be paid by cheque or warrant or by a payslip or receipt having the force of a cheque or warrant sent through the prepaid post to the registered address of the member or person then first named in the Register of Members in respect of the joint holding. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. The Company shall not be liable or responsible for any cheque or warrant or payslip or receipt lost in transmission, or for any dividend lost to the member or person entitled thereto by the forged endorsement of any cheque or warrant or the forged signature of any payslip or receipt or the recovery of the dividend by any other means. | <b>Dividend how remitted.</b>  |
| *192. | No unclaimed dividend shall be forfeited by the Board unless the Claim thereto becomes barred by law and the Company shall comply with all the provisions of Section 205A of the Act in respect of any unclaimed or unpaid dividend.  | <b>Unclaimed dividends.</b>  |

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\* Article 192 Adopted in the Extraordinary General Meeting held on 13<sup>th</sup> February, 1992.



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

**Dividend and call together**

### CAPITALISATION

- \*194.(1) Any General Meeting may resolve that any amount standing to the credit of the Securities Premium Account or the Capital Redemption Reserve Account of any moneys, investments or other assets forming part of the undivided profits (including profits or surplus moneys arising from the realisation and where permitted by law, from the appreciation in value of any capital assets of the Company) standing to the credit of the General Reserve, or Reserves or any Reserve Fund or any other fund of the Company or in the hands of Company and available for dividend may be capitalised. Any such amount (excepting the amount standing to the credit of the Securities Premium Account and/or the Capital Redemption Reserve Account) may be capitalised.

**Capitalisation**

- (a) by the issue and distribution as fully paid Shares, Debentures, Bonds or obligations of the Company; or
- (b) by crediting the shares of the Company which may have been issued and are not fully paid-up, with the whole or any part of the sum remaining unpaid thereon.

Provided that any amounts standing to the credit of the Securities Premium Account may be applied in:

- (i) paying up unissued shares of the Company to be issued to members of the Company as fully paid bonus shares;
- (ii) in writing off the preliminary expenses of the Company;
- (iii) in writing off the expenses of, or the commission paid or discount allowed on any issue of shares or debentures of the Company; or
- (iv) in providing for the premium payable on the redemption of any Redeemable Preference Shares or of any debentures of the Company.

“Provided further that notwithstanding anything contained hereinabove, any amounts standing to the credit of the Securities Premium Account may also be utilized for various other purposes (other than for Capitalization), in accordance with the provisions of law for the time being in force”

Provided further that any amount standing to the credit of the Capital Redemption Reserve Account shall be applied only in paying up unissued shares of the Company to be issued to the members of the Company as fully paid bonus shares.

- (2) Such issue and distribution under sub-clause (1) (a) above and such payment to the credit of unpaid share capital under sub clause (1) (b) above shall be made to, among and in favour of the members or any class of them or any of them entitled thereto and in accordance with their respective rights and interests and in proportion to the amount of capital paid up on the shares held by them respectively in respect of which such

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\* Article 194 (1) Revised in the Annual General Meeting held on 27<sup>th</sup> September, 2004.

distribution under sub-clause (1) (a) or payment under sub-clause (1) (b) above shall be made on the footing that such members become entitled thereto as capital.

- (3) The Directors shall give effect to any such resolution and apply portion of the profits, General Reserve Fund or any other fund or account as aforesaid as may be required for the purpose of making payment in full for the shares, debentures or bonds or other obligations of the Company so distributed under sub-clause (1) (a) above or (as the case may be) for the purpose of paying, in whole or in part, the amount remaining unpaid on the shares which may have been issued and are not fully paid-up under sub-clause (1) (b) above provided that no such distribution or payment shall be made unless recommended by Directors and if so recommended such distribution and payment shall be accepted by such members as aforesaid in full satisfaction of their interest in the said capitalised sum.
- (4) For the purpose of giving effect to any such resolution the Directors may settle any difficulty which may arise in regard to the distribution or payment as aforesaid as they think expedient and in particular they may issue fractional certificates or coupons and fix the value for distribution of any specific assets and may determine that such payments be made to any members on the footing of the value so fixed and may vest any such cash, shares, fractional certificates or coupons debentures, bonds or other obligations in trustees upon such trusts for the persons entitled thereto as may seem expedient to the Directors and generally may make such arrangement for the acceptance, allotment and sale of such shares, debentures, bonds or other obligations and fractional certificates or coupons or otherwise as they may think fit.
- (5) Subject to the provisions of the Act and these Articles, in cases where some of the shares of the Company are fully paid and others are partly paid only, such capitalisation may be effected by the distribution of further shares in respect of the fully paid shares, and by crediting the partly paid shares with the whole or part of the unpaid liability thereon but so that as between the holders of the fully paid shares, and the partly paid shares the sums so applied in the payment of such further shares and in the extinguishment or diminution of the liability on the partly paid shares shall be so applied pro-rata in proportion to the amount then already paid or credited as paid on the existing fully paid and partly paid shares respectively.
- (6) When deemed requisite, a proper contract shall be filed with the Registrar of Companies in accordance with the Act and the Board may appoint any person to sign such contract on behalf of the members entitled as aforesaid and such appointment shall be effective.

#### REGISTERS, BOOKS AND DOCUMENTS

195.(1) The Company shall keep and maintain Registers, Books and Documents as required by the Act or these Articles, including the following namely:

- (a) Register of Investment made by the Company but not held in its own name as required by Section 49 of the Act;

**Registers, Books  
and Documents.**

- (b) Register of Mortgages, Debentures; and Charges as required by Section 143 of the Act;
- (c) Register of Members and Index of Members as required by Sections 150 and 151 of the Act;
- (d) Register and Index of Debenture-holders as required by Section 152 of the Acts
- (e) Foreign Register, if necessary; as required by Section 157 of the Act;
- (f) Register of Contracts in which Directors are interested as required by Section 301 of the Act;
- (g) Register of Directors, Managing Directors, Managers (if any) and Secretary (if any) as required by Section 303 of the Act;
- (h) Register of Directors' Shareholdings and Debentures-holding as required by Section 307 of the Act;
- (i) Register of loans and/or investments made by the Company in securities or otherwise as required by Section 372A of the Act;
- (j) Deleted vide resolution passed at the Extraordinary General Meeting held on 28<sup>th</sup> March, 2003.
- (k) Books of Accounts as required by Section 209 of the Act;
- (l) Copies of Instruments creating any charge requiring registration as required by Section 136 of the Act;
- (m) Copies of Annual Returns prepared under Section 159 of the Act together with the copies of Certificates required under Section 161 of the Act;
- (n) Register of Renewed and Duplicate Certificate according to Rule 7(2) of the Companies (Issue of Shares Certificates) Rules, 1960.

The Registers, Books and Documents kept by the Company shall be maintained in conformity with the applicable provisions of the Act and such of them as are under the Act required to be kept open for inspection shall be kept open for inspection by such persons as may be entitled thereto respectively, under the Act, on such day and during such business hours, as may, in that behalf be determined and copies or extracts shall be supplied to the persons entitled thereto, in accordance with the relevant provisions of the Act or these Articles.

#### ACCOUNTS

196.(1) The Company shall keep at its Registered Office proper Books of Accounts as required by Section 209 of the Act 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 take place.
- (b) all sales and purchases of goods by the Company; and

**Books of Accounts to be kept.**

Adopted in the Extraordinary General Meeting held on 28<sup>th</sup> March, 2003.

- (c) the assets and liabilities of the Company; provided that all or any of the books of account aforesaid may be kept at such other place in India as the Board of Directors may decide and when the Board of Directors so decide, the Company shall, within seven days of the decision file with the Registrar a notice, in writing giving the full address of that other place.
- (2) If the Company shall have a branch office, whether in or outside India, proper books of accounts relating to the transactions effected at that office shall be kept at that office and proper summarised returns made upto date at intervals of not more than three months, shall be sent by the branch office to the Company at its Registered Office or such other place in India, where the said books of the Company are kept.
- 197.(1) All the aforesaid books shall give a fair and true view of the affairs of the Company or of its branch office, as the case may be with respect to the matters aforesaid, and explain the transactions.
- (2) The Books of Accounts shall be open to inspection by any Director during business hours as provided by Section 209 of the Act.
- (3) The Books of Accounts of the Company relating to a period of not less than eight financial years immediately preceding the current financial year together with the vouchers relevant to any entry in such books of accounts shall be preserved in good order.
198. The Directors shall from, time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts, books and documents of the Company or any of them, shall be open to the inspection of the members, and no member (not being a Director) shall have any right of inspecting any account or books or documents of the Company except as conferred by statute or authorised by the Directors or by a resolution of the Company in General Meeting.
199. The Board of Directors shall lay before each Annual General Meeting a Profit and Loss Account for the financial year of the Company and a Balance Sheet made up as at the end of the Financial Year which shall be a date which shall not precede the day of the said meeting by more than six months or such extended period as shall have been granted by the Registrar of Companies under the provisions of the Act.
- 200.(1) Subject to the provisions of Section 211 of the Act, every Balance Sheet and Profit and loss Account of the Company shall be in the Forms set out in Parts I and II respectively of Schedule VI of the Act, or as near thereto as circumstances admit. There shall be annexed to every Balance Sheet a Statement showing names of the bodies corporate (indicating separately the bodies corporate in the same group) in the shares of which investments have been made by it (including all investments, whether existing or not, made subsequent to the date as at which the previous Balance Sheet was made out) and the nature and extent of the investments so made in each body corporate.
- (2) So long as the Company is a Holding Company having a subsidiary the Company shall conform to Section 212 and other applicable provisions of the Act.

**Books to give fair and true view of the Company's affairs**

**Inspection of Members**

**Statements of Accounts to be furnished at General Meeting**

**Balance Sheet and Profit and Loss Account.**

- (3) If in the opinion of the Board, any of the current assets of the Company have not a value on realisation in the ordinary course of business at least equal to the amount at which they are stated, the fact that the Board is of that opinion shall be stated in the Balance Sheet.

201. (1)(a) Save as provided by item (b) of this sub-clause, every Balance Sheet and every Profit and Loss Account of the Company shall be signed for and on behalf of the Board of Directors by the Secretary and by not less than two directors nominated by ONGC, one of which shall be whole time director nominated by ONGC or the Managing Director, if any.

**Authentication  
of Balance Sheet  
and Profit &  
Loss Account.**

(b) When, only one of the Directors of the Company is for the time being in India, the Balance Sheet and the Profit and Loss Account shall be signed by such Director, but in such a case there shall be attached to the Balance Sheet and the Profit and Loss Account a statement signed by him explaining the reason for non-compliance with the provisions of the above item (a).

(2) The Balance Sheet and the Profit and Loss Account shall be approved by the Board of Directors before they are signed for and on behalf of the Board in accordance with the provisions of this Article and before they are submitted to the Auditors for their report thereon.

202. The Profit and Loss Account shall be annexed to the Balance Sheet and the Auditors' Report including the Auditors' separate, special or supplementary report, if any, shall be attached thereto.

**Attachments to  
Balance Sheet**

203.(1) Every Balance Sheet laid before the Company in General Meeting shall have attached to it a Report by the Board of Directors with respect to the state of the Company's affairs; the amounts, if any, which it proposes to carry to any reserves in such Balance Sheet, the amount if any, which it recommends to be paid by way of dividends and material changes and commitments, if any, affecting the Financial position of the Company which have occurred between the end of the financial year of the Company to which the Balance Sheet relates and the date of the Report.

**Board's Report  
to be attached to  
the Balance  
Sheet**

(2) The Report shall, so far as it is material for appreciation of the state of the Company's affairs by its members, and will not in the Board's opinion, be harmful to the business of the Company or of any of its subsidiaries, deal with any changes which have occurred during the financial year in the nature of the Company's business, in the Company's subsidiaries or in the nature of the business in which the Company has an interest.

(3) The Board shall also give the fullest information and explanations in its Report or in cases falling under the proviso to Section 222 of the Act in an addendum to that Report, on every reservation, qualification or adverse remark contained in the Auditor's Report.

(4) The Board's Report and addendum (if any) there to shall be signed by its Chairman if he is authorised in that behalf by the Board; and where 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 of the Company by virtue of sub-clause(1) and (2) of Article 201.

204. The Company shall comply with the requirements of Section 219 of the Act.

**Right of members to copies of Balance Sheet and Auditor's Report**

### ANNUAL RETURN

205. The Company shall file the requisite Annual Return in accordance with Sections 159 and 161 of the Act.

**Annual Return**

### AUDIT

206. Every Balance Sheet and Profit and Loss Account shall be audited by Auditors to be appointed as hereinafter mentioned.

**Accounts to be Audited**

- \*207. The Auditor/Auditors of the Company shall be appointed or reappointed by the Comptroller and Auditor General of India and his/their remuneration, rights and duties shall be governed by the provisions of sections 224 to 233 of the Act so far as applicable.

**Appointment of Auditors**

208. The Company shall comply with the provisions of Section 228 of the Act in relation to the audit of the accounts of branch offices of the Company, except to the extent to which any exemption may be granted by the Central Government, in that behalf.

**Audit of Branch Office**

209. The remuneration of the Auditors shall be fixed by :

**Remuneration of Auditors.**

- (a) In the case of Auditors appointed by the Board or the Central Government, the Board or the Central Government as the case may be and

- (b) Subject to clause (a) above, the Company in General Meeting or in such manner as the Company may in General Meeting determine except that the remuneration of any Auditors appointed to fill any casual vacancy may be fixed by the Directors.

- 210.(1) The Auditor of the Company shall have a rights of access at all times to the Books and Accounts and Vouchers of the Company and shall be entitled to entitled to require from the Directors and Officers of the Company such information and explanation as may be necessary for the performance of the duties of the Auditors in terms of Section 227 and other applicable provisions of the Act.

**Auditors to have access to the Books of the Company**

- (2) All notices of, and other communications relating to any General Meeting of the Company which any member of the Company is entitled to have sent to him shall also be forwarded to the Auditor/s of the Company; and the Auditor shall be entitled to attend any General Meeting and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor.

- (3) The Auditors shall make a Report to the members of the Company on the Accounts, examined by them and on every Balance Sheet and Profit and

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\* Article 207 Adopted in the Annual General Meeting held on 27<sup>th</sup> September 2004.

Loss Account, and on every other documents declared by the Act to be part of or annexed to the Balance Sheet or Profit and Loss Account, which are laid before the Company in General Meeting during his tenure of Office, and the Report shall state whether, in his opinion and to the best of his information and according to the explanations given to him, the said accounts give the information required by the Act in the manner so required and give a true and fair view :

- (i) in the case of the Balance Sheet, of the State of the Company's affairs as at the end of its Financial Year and
- (ii) in the case of the Profit and Loss Account of the Profit or Loss for its Financial Year.

(4) The Auditor's Report shall also state.

- (a) Whether he had obtained all the information and explanations which to the best of his knowledge and belief were necessary for the purpose of his audit;
- (b) Whether, in his opinion, proper books of Accounts as required by law have been kept by the Company so far as it appears from his examination of those Books and proper returns adequate for the purposes of his audit have been received from Branches not visited by him;
- (c) Whether the report on the accounts of any Branch Office audited under Section 228 by a person other than the Company's Auditor has been forwarded to him as required by Clause (c) Sub-section (3) of the said Section and how he had dealt with the same in preparing the Auditor's Report;
- (d) Whether the Company's Balance Sheet and Profit and Loss Account dealt with by the Report are in agreement with the Books of Account and returns.

(5) Where any of the matters referred to in this Article is answered in the negative or with a qualification, the Auditors Report shall state the reasons for the answer.

(6) Accounts of the Company when audited and approved by a General Meeting shall be conclusive provided that within a period of 3 months thereof it may be altered or modified or varied at any time with the consent of the Company at a General Meeting.

**Accounts when audited and approved to be conclusive**

\*211. Deleted.

#### DOCUMENT AND SERVICE OF DOCUMENTS

212.(1) A document (which expression for this purpose shall be deemed to include any summons, notice, requisition, process, order judgement or any other document in relation to or in the winding up of the Company) may be served or sent by the Company on or to any member either personally or by sending it by post to him at his registered address in

**Services on members**

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\*Article 211 Deleted in the Extraordinary General Meeting held on 28<sup>th</sup> March 2003.

India, or if he has no registered address in India, to such address, if any, supplied by him to the Company for the giving of notices to him

(2) Where a document is sent by post:

(a) service thereof shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the document, provided that where a member has intimated to the Company in advance that the document should be sent to him under a Certificate of Posting or by Registered Post with or without acknowledgement due and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the document shall not be deemed to be effected unless it is sent in the manner intimated by the member; and

(b) such service shall be deemed to have been effected;

(i) in the case of a notice of a meeting, at the expiration of forty-eight hours after the notice is posted, to any place in India.

(ii) in any other case, at the time at which the letter would be delivered in the ordinary course of post.

213. A document may be served by the Company on the persons entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a pre-paid letter addressed to them by name, or by the title of the representatives of the deceased, or assignees of the insolvent or by any like description at the address (if any) in India supplied for the purpose by the persons claiming to be so entitled, or (until such an address has been so supplied) by serving the document in any manner in which the same might have been served if the death or insolvency had not occurred.

**Service on persons acquiring shares on death or insolvency of members.**

214. Subject to the provisions of the Act and these Articles, notice of General Meetings shall be given :

**Persons entitled to notice of General Meetings**

(i) to members of the Company as provided by Article 90 in any manner authorised by Article 212 or 213 as the case may be or as authorised by the Act;

(ii) to the persons entitled to a share in consequence of the death or insolvency of a member as provided by this Article or as authorised by the Act;

(iii) to the Auditor or Auditors for the time being of the Company; in any manner authorised by Article 212 or the Act in the case of any member or members of the Company.

215. Subject to the provisions of the Act, any document required to be served or sent by the Company on or to the members, or any of them, and not expressly provided for by these Articles, shall be deemed to be duly served if advertised once in a daily English and a daily vernacular newspaper circulating in the neighbourhood of the Registered Office of the Company.

**Advertisement**



216. Every person, who by operation of law, transfer or other means whatsoever, shall become entitled to any share, shall be bound by every document in respect of such share which, previous to his name and address being entered on the Register, shall have been duly served on the person from whom he derives his title to such share. **Members to be bound by documents served on previous holders.**
217. All notices to be given on the part of shareholders shall be left at or sent by Registered Post to the Registered Office of the Company. **Services of notice or document by Shareholders**
218. Any notice to be given by the Company shall be signed by the Managing Director or by Director or Secretary or Officer, as the Directors may appoint. The Signature to any notice to be given by the Company may be by hand or printed or rubbed stamped or lithographed or in any other approved manner. **Any notice to be signed**

#### AUTHENTICATION OF DOCUMENTS

219. Save as otherwise expressly provided in the Act or these Articles, a document or proceeding requiring authentication by the Company may be signed by a Director, or Secretary or any other authorised officer of the Company and need not be under its Seal. **Authentication of documents and proceedings**

#### WINDING UP

220. Upon winding up of the Company, the holder of the Equity Shares subject to priority of debts and without prejudice to the rights of the holders of Shares issued upon preferential terms and conditions, be entitled to be repaid the amount of Capital paid or credited as paid up on such Shares and all surplus assets, thereafter shall belong to the holders of the Equity Shares in proportion to the amount paid up or credited as paid up on such equity shares at the commencement of the winding up. If the assets shall be insufficient to repay the whole of the paid up equity capital, such assets shall be distributed so that as nearly as may be the losses shall be borne by the members holding equity shares in proportion to the capital paid up or which ought to have been paid up on equity shares held by them respectively at the commencement of the winding-up other than the amounts paid by them in advance of calls. **Distribution of Assets**
221. (1) If the Company shall be wound up, the liquidator may with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not. **Distribution in specie and kind**
- (2) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such divisions shall be carried out as between the members or different classes of members.
- (3) The liquidator may with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories as the liquidator, with the like sanction shall think fit, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

**SECURITY CLAUSE**

- 222.(1) Every director, manager, auditor, treasurer, trustee, member of a committee, officer, servant, agent, accountant or any other person employed in the Company shall, if so required by the Directors, or by any other person authorised in this behalf before entering upon his duties, sign a declaration pledging himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in discharge of his duties except when required to do so by the Directors or by law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained.
- (2) Subject to the provisions of the Act, no member shall be entitled to visit or inspect any works of the Company without the permission of the Director or to require discovery of or any information respecting any detail of the Company's tradings or any matter which is or may be in the nature of a trade secret, mystery of trade, secret process, or any other matter which may relate to the conduct of the business of the Company and which in the opinion of the Directors, would be inexpedient in the interest of the Company to disclose.

**Secrecy Clause****INDEMNITY AND RESPONSIBILITY**

- 223.(a) Subject to the provisions of Section 201 of the Act, every Director, Managing Director, Manager, Secretary and other officer or employee of the Company and the Trustee (if any) for the time being acting in relation to any affairs of the Company shall be indemnified by the Company against all costs, losses and expenses (including travelling expenses) which any such Director, Managing Director, Manager, Secretary and other officer or employee may incur or become liable to by reason of any contract entered into or act or deed done by them or him as such Director, Managing Director, Manager, Secretary or other Officer or employee or in any other way in the discharge of his duties, and it shall be the duty of the Directors to indemnify out of the funds of the Company to pay all such aforesaid sums.
- (b) Subject as aforesaid, every Director, Managing Director, Manager, Secretary or other officer or employee of the Company shall be indemnified against any liability incurred by them or him in defending any proceeding, whether civil or criminal, in which judgement is given in their or his favour or in which he is acquitted or discharged or in connection with any application under Section 633 of the Act in which relief is given to them or him by the Court.
224. Subject to the provisions of Section 201 of the Act, no Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or officer, or for joining in any receipt or other act of conformity, or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property

**Directors and others' right to indemnity****Directors and other Officers not responsible for acts of others.**

acquired by order of the Directors for or on behalf of the Company, or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation with whom any money securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgement or oversight on his part, or for any other loss or damage or misfortune whatever shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through wilful misconduct or neglect or dishonesty.

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 our respective names :-

Name, address, description and occupation of each Subscriber	Number of Equity Shares taken by each subscriber	Signature of Subscriber	Signature, name, address, description and occupation of witness
1	2	3	4
Mohinder Kumar Bagai Son of Late Shri Manoharlal Bagai 5, Shangrila 27, Carmichael Road Bombay - 400 026 Service - Chairman and Managing Director, HPCL., Bombay	50 Fifty	Sd/- M. K. Bagai	Sd/- N. R. Narayanan Son of N. N. Ranganathan 13/76, Uma Sadan, M. D. S. Marg Chembur, Bombay - 400 071 Service - Company Secretary HPCL, Bombay.
Narandas Dayalal Nagrecha Son of late Shri Dayalal Nagrecha 5, Silver Oaks Estate Bhulabhai Desai Road Bombay - 400 026 Service Director (Finance) HPCL., Bombay	50 Fifty	Sd/- N. D. Nagrecha	
Narayan Vithal Paranjpe Son of late Shri Vithal Paranjpe 7-A, Commonwealth Building, 181, Backbay Reclamation, Bombay - 400 020 Service - Director (Marketing) HPCL, Bombay	50 Fifty	Sd/- N. V. Paranjpe	
Gurukumar Ramrao Raote Son of late Shri Ramrao S. Raote Ranjini, 1 <sup>st</sup> Floor Plot No.539, 11 <sup>th</sup> Road Chembur, Bombay - 400 071 Service - Director (Production) HPCL, Bombay.	50 Fifty	Sd/- G. R. Roote	
Ranajit Mohan Bardhan Son of Niranjan Mohan Bardhan Bungalow No.4, H. P. Nagar East, Mahul Chembur, Bombay - 400 074. Service-General Manager, Corporate Planning & Projects, HPCL, Bombay	50 Fifty	Sd/- R. M. Bardhan	

Mahesh Chandra Bagrodia Son of Shri Kesardeo Bagrodia B-2, 15 <sup>th</sup> Floor, Prithvi Apartments Altamount Road Bombay - 400 026 Service - Company Executive	50 Fifty	Sd/- M. C. Bagrodia	Sd/- R. K. Saraswat Son of Shri Kunjilal 6-A, Asian Assurance Building Manmala Tank Road Shivaji Park, Bombay - 400 016 Business Executive.
Gopi Krishna Tulsian Son of late Shri Laxmi Narayan Tulsian 301, Pradeep Worli, Hill Estate, Worli, Bombay - 400 018 Service - Business Executive	50 Fifty	Sd/- G. K. Tulsian	
Sushilkumar Saboo Son of Madanlal Saboo 44, Satnam Apartments 93, Cuffe Parade, Colaba Bombay - 400 005 Service - Business Executive	50 Fifty	Sd/- S. K. Saboo	
Vinod Kumar Saraf Son of Shri Banwarilal Saraf B-105, Sun Swept Lokhandwala Complex Four Bungalow Andheri (West) Bombay - 400 058 Service - Company Executive	50 Fifty	Sd/- V. K. Saraf	
Bachh Raj Nahar Son of Late Shri Bagmal 11/2 Chemical Division Staff Colony Birlagram, Nagda - 456 331 Service - Business Executive	50 Fifty	Sd/- B. R. Nahar	
<b>Total</b>	<b>500</b> <b>Five Hundred</b>		

Bombay dated 15<sup>th</sup> day of February, 1988.

