

Company Number:  
L01119TN1986PLC013473



**FRESH CERTIFICATE OF INCORPORATION  
CONSEQUENT ON CHANGE OF NAME**

In the office of the Registrar of Companies, Tamil Nadu, Chennai-6  
(Under the Companies Act, 1956 (I of 1956))

\*\*\*\*\* ABAN LOYD CHILES OFFSHORE LIMITED \*\*\*\*\*  
IN THE MATTER OF\*

I hereby certify that \*\*\*\*\* ABAN LOYD CHILES OFFSHORE LIMITED \*\*\*\*\*

which was originally incorporated on TWENTY FIFTH day of SEPTEMBER 1986

under\*\* Companies Act, 1956/1913 and under the name \*\*\*\*\*

\*\*\*\*\* ABAN LOYD CHILES OFFSHORE LIMITED \*\*\*\*\*

having duly passed the necessary resolution on 14.07.2006 in terms of Section 21/22(1)(e)/22(1)(b)/44/43A(4)/31 of the Companies Act, 1956 and the approval of the Central Government signified in writing having been accorded hereto in the Ministry of Finance, Department of Company Affairs, Registrar of Companies, Chennai,

Letter No. 18-13473/S.21/2006 dated 27.07.2006

the name of the said company in this day changed to \*\*\*\*\*

\*\*\*\*\* ABAN OFFSHORE LIMITED \*\*\*\*\*

and this Certificate is issued pursuant to Section 23(1)/44/43A(4)/31 of the said Act.

Given under my hand at CHENNAI this TWENTY SEVENTH Day of JULY

FIFTH SRAVANA

Two thousand SIX

One thousand nine hundred and TWENTYEIGHT (Saka)



*Josekutty*  
(V.E. JOSEKUTTY)  
ASST. Registrar of Companies  
Tamil Nadu, Chennai

**TRUE COPY**

Here give the name of the company as existing prior to the Change.  
Here give the name of the Act(s) under which the company was originally registered and incorporated.

**R. NATARAJAN**  
ADVOCATE & NOTARY PUBLIC  
No. 14, LAW CHAMBERS,  
HIGH COURT, CHENNAI 600 104.

**//Certified True//  
For Aban Offshore Limited**

**C.P. Gopalkrishnan**  
Deputy Managing Director & Secretary

FORM I. R.



# CERTIFICATE OF INCORPORATION

No. 13473 of 19 86

I hereby certify that ABAN LOYD CHILES

OFFSHORE LIMITED.    \*\*\*    \*\*\*    \*\*\*    \*\*\*    \*\*\*  
\*\*\*    \*\*\*    \*\*\*    \*\*\*    \*\*\*    \*\*\*    \*\*\*

is this day incorporated under the Companies Act, 1956 (No. 1 of 1956) and that the Company is Limited.

Given under my hand at M A D R A S

this TWENTY FIFTH day of SEPTEMBER

THIRD

ASVINA

One thousand nine hundred and eighty six

One thousand nine hundred and eight (Saka)



(R. AGHORAMURTHY)  
Registrar of Companies

TAMIL NADU



## Certificate For Commencement of Business

Pursuant of section 149 (3) of the Companies Act, 1956

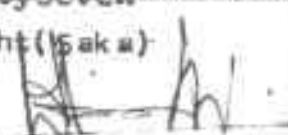
I hereby certify that the ABAN LOYD CHILES OFFSHORE  
LIMITED

\*\*\*\*  
which was incorporated under the Companies Act, 1956. on  
the Twentyfifth day of September 1986.

and which has this <sup>Third</sup> day filed a duly verified declaration in the  
prescribed form that the conditions of section ~~143 (1) (a) to (d)~~ <sup>Asvina 1908</sup>  
149 (2) (a) to (c) of the said Act, have been complied with, is  
entitled to commence business.

Given under my hand at M A D R A S  
this Twentyseventh day of February  
One thousand nine hundred and Eightyseven <sup>Phalguna</sup>  
One thousand nine hundred and Eight (Saka)



  
(R. AGHORAMURTHY)  
Registrar of Companies.  
Tamil Nadu

J. S. C 10

MFP-1081 JSC-18410-(C.1065)-88-8-57-6,000

**THE COMPANIES ACT, 1956**  
**PUBLIC COMPANY LIMITED BY SHARES**

**MEMORANDUM OF ASSOCIATION**

**OF**

**ABAN OFFSHORE LIMITED**

- I. The name of the Company is ABAN OFFSHORE LIMITED
- II. The Registered Office of the Company will be situated in the State of Tamil Nadu.
- III. The Objects for which the Company is established are:
  - (A) Main objects of the Company to be pursued by the Company on its incorporation are:
    - (1) To carry on the business of providing and operating ships, vessels, rigs, structures, machineries, equipments and personnel required for on shore and off shore drilling, oil field services such as mud engineering, mud logging, cementing wire line logging inspection, repairs and reconditioning of tubulars, oil/gas exploration, production, transportation, storing and handling of oil for oil and natural gas industry in India or in any part of the World individually or as joint venture with Indian or International collaboration both technical and financial.
    - (2) To carry on the business as Engineering Contractors in respect of technical and operational services for designing, procuring, fabricating, installing and commission of facilities required for Oil and Natural Gas Industry in India or elsewhere in the World.
    - (3) To carry on the business as Consulting Engineers in the matter of training and development of Indian manpower in the field of management, operation and maintenance of equipments for Oil and Natural Gas Industry and to establish Research and Development Laboratory in the above field.
    - (4) To purchase, create, generate, or otherwise acquire, use or otherwise dispose of, electricity by steam, water, wind and any other means of every kind and description, to supply or otherwise dispose of light, heat and power of kind and description and manufacture, install, operate, maintain all kinds of power generation equipments.
    - (5) To carry on the business of leasing and hire purchase finance, acquiring and providing on lease, hire purchase or deferred payment operation, purchasing, selling hiring, leasing or letting on lease and in any manner, financing all types of industrial and office plants, machinery, equipments, vehicles, land and buildings (temporary or permanent structures) real estate, furniture and fixtures, electrical and electronics appliances, ship, aircraft, automobiles, computers, films, moulds, energy saving devices and all types of moveable and immoveable properties.
    - (6) To carry on, execute and conduct general contracting business, submit tenders and undertake, execute do all kinds of construction, erection, surveying, supplying, designing, enlarging, repairs, re-modelling, consultancy and supervising business to manufacture and deal in all kinds of metals, Ferrous and Non-Ferrous and metal compounds and to carry on business of Mechanical Structural, Electrical, Civil and Marine Engineering and in all types of construction work, including but not limited to Pipe Laying, Dredging, Horizontal Drilling, Fabrication of Steel or any such materials and to carry on business as Designers, Fabricators, Architects, Builders and contractors including constructions and development of Ports, Roads, Bridges, Infrastructure projects.

- (B) The Objects incidental or ancillary to the attainment of the main objects.
- (1) To buy, sell, hire, lease, rent, exchange, install, work, alter, improve, import or export, and otherwise deal in all kinds of plant, machinery, ships, barges, drillings rigs, rolling stock, apparatus, tools utensils, substances, materials and things necessary or convenient for carrying on any of the business which the Company is authorised to carry on or are usually dealt in by persons engaged in such business.
  - (2) To construct, rebuilt, repair, purchase, sell, import, export, rent, hire machines and machinery of any kind which may appear to be necessary or convenient for or incidental to any business of the Company.
  - (3) To purchase, take on lease, or otherwise acquire either absolutely or for any limited interest any immoveable or moveable property of any rights or things in action for use in or connection with any business of the company and in particular but without limiting the generality of the words aforesaid, any lands, tenements or hereditaments in any part of the world or any rights or privileges in connection therewith and any patent or patent rights or other similar privileges and any licences or authorities whether in respect of any invention or in respect or over any property and any trade marks, trade names or copy rights and the goodwill or connection of any business or undertaking and the benefit of any covenants or agreements, positive or restrictive, and the right to call for and enjoy the benefit of the services of any person or persons and every other kind of benefit or advantage whether personal or attaching to any real or personal property and with a view thereto make or acquire the benefit of any conditional or optional contracts or any concessions, licences, agreements or covenants and to construct maintain and alter any buildings or works necessary or convenient for the purpose of the Company.
  - (4) To purchase, take on lease or in exchange or under amalgamation, licence or concessions or otherwise absolutely or conditionally solely or jointly with others and make construct maintain work hire, hold improve alter manage let sell dispose of, exchange, roads canals, watercourses, waterway and rights, ways ferries, piers, wharves, airports, aerodromes, lands, buildings and warehouses, electricity and other works, factories, mills workshops, railways, sidings, tramways drainage, and sewage works, engines, machinery, equipment, and buildings plans and works of every description and kind which may seem calculated directly or indirectly to advance the interests of the company or conducive to the attainment of the objects of the company.
  - (5) To construct, maintain, improve, develop, work, run, control and manage any water works, gas works, reservoirs, roads, tramways, electric power, heat and light supply works telephone works, hotels, clubs, restaurants, baths, places of worship places of amusement pleasure grounds, parks gardens, reading rooms, stores, shops, dairies, and other works and conveniences which the Company may think directly or indirectly conducive to these objects and to contribute or otherwise, assist, or take part in the construction, maintenance, development working running, control and management, thereof for the welfare of the officers and employees of the Company.
  - (6) To acquire take on lease and undertake on any terms and subject to any conditions, the whole or any part of the business, property and liabilities of any person or company carrying on any business which the Company is authorised to carry on or possessed of property suitable for the purposes of this Company.
  - (7) To pay for any rights or property acquired by the Company to remunerate any person or Company whether by cash payment or by allotment of shares, debentures or other securities of the Company credited as paid up in full or in part or otherwise.
  - (8) To utilise, develop, carry on, manage, control and turn to account any business, property or rights of the company, whether by employing the same in any other business of the company or by working, using, carrying on and turning to account the same as a separate undertaking.
  - (9) To amalgamate with any Company or Companies, having objects altogether or in part similar to those of this Company or to sell, exchange, lease, under lease, surrender, abandon, amalgamate, subdivide, mortgage or otherwise deal with, either absolutely, conditionally or for any limited interest all or any

- part of the undertaking property, rights or privileges, of the Company as a going concern or otherwise or to with any public body, corporations, Company, society or Association or to any person or persons for such considerations as the Company may think fit and in particular for any stock shares (whether wholly or partly paid) debentures, debentures stock, securities or property of any other Company.
- (10) To buy, sell, import, export, modify, treat, produce, manufacture, prepare, process and deal in all materials substances, commodities, things products, goods, merchandise, plant, machinery, equipments, apparatus, appliances, tools, implements, and other articles, and things connected with or required for necessary for carrying on all or any of the business mentioned above or ancillary or allied thereto.
  - (11) To apply for, purchase, or otherwise acquire, any patents brevets d'invention licences, concessions, and the like conferring any exclusive or non-exclusive or limited rights to use, or any secret or other information as to any invention which may seem capable of being used for any of the purposes of the Company, and to use, exercise, develop, or grant licences in respect of or otherwise turn to account the property, rights or information so acquired.
  - (12) To establish, provide, maintain and conduct, or otherwise subsidize, research laboratories and experimental workshops for scientific and technical research and experiments; and tests of all kinds, to promote studies and researches both scientific and technical investigations and inventions by providing, subsidizing endowing or assisting laboratories, workshops, libraries, lectures, meetings and conferences and by providing or contributing to the remuneration, of scientific or technical personnel and generally to encourage, promote and reward studies, researches, investigations, experiments, tests and inventions of any kind that may be considered likely to assist any business which the Company is authorised to carry on.
  - (13) To enter into any arrangement for sharing profits, union of interests co-operation, joint venture, reciprocal concession, agency or otherwise with any person or with any company National or International (Whether promoted or formed by the Company or not) carrying on or engaged in or about to carry on or engaged in any business or transaction which the Company is authorized to carry on and to lend money to, guarantee the contracts of, or otherwise assist any such person or company, and to take or otherwise acquire (and whether by original application or otherwise) shares and securities of any such company, and to sell, hold, re-issue, with or without guarantee or otherwise deal with the same.
  - (14) To enter into any arrangement with any Government, Central, State, local or foreign authority, supreme, municipal, local or otherwise, or body Corporate, firm or person, that may seem conducive to the Company's objects or any of them and to obtain from any such Government authority, body corporate, firm or person, any concessions, grants, decree, rights, subsidies, loans, indemnities, sanctions, protection, charters, contracts, licenses powers and privileges whatsoever which the Company may think it desirable to obtain and to carry out, exercise and comply with the same.
  - (15) To sub-let or any contracts from time to time and upon such terms and conditions as may be thought expedient.
  - (16) To apply for, tender, purchase, or otherwise, acquire any contracts, sub-contracts, licences and concessions for or in relation to the objects or business herein mentioned or any of them and to undertake, execute, carry out, dispose of or otherwise turn to account the same.
  - (17) subject to Section 58A of the Companies Act, 1956 to borrow or raise money or to receive money on deposit for the purpose of the Company, in such manner and upon such terms as may seem expedient, and to secure the re-payment thereof and of moneys owing or obligations incurred by the Company, and to create, issue and allot redeemable, or irredeemable bonds, mortgages or other instruments, mortgages debentures, convertible and non-convertible (such bonds or debentures being made payable to bearer or otherwise and issuable or payable either at par, premium, discount or as fully paid) and for any such purposes to charge all or any part of the property and profits of the Company both present and future including its uncalled capital. To grant such leaders or creditors the power of sales and other powers and to purchase, redeem or pay off any such securities and also by a similar mortgage, charge

or lien to secure and guarantee the performance by the Company or other person firm or Company of any obligation undertaken by the Company or any other person, firm or company if any, as the case may be.

- (18) To negotiate loans for the Company or other persons or bodies, to lend moneys, securities and other properties, to draw, make, accept, issue, endorse, discount, buy, sell and deal in bills of exchange, promissory notes, hundies, drafts, bills of lading, warrants and other negotiable or transferable instruments, and all kinds of securities and to become sureties and guarantors for any such purposes, but not to do banking business as defined in Banking Regulations Act 1949.
- (19) To buy and sell foreign exchange in all lawful ways in compliance with the relevant laws of India and of the foreign country, concerned in that behalf, and generally to invest and deal with the moneys of the Company in or upon such securities and in such manner as from time to time be determined.
- (20) Subject to the provisions of the Companies Act, 1956 to invest any moneys of the Company not immediately required for the purposes of its business in such manner as may be thought fit and to lend money to such parties and on such terms with or without security, as may be thought to be for the interest of the Company, and in particular to customers of and persons having dealings with Company or to Companies, firms or persons carrying on any business which may be useful or beneficial to this Company.
- (21) To subscribe for, underwrite, purchase or otherwise acquire and to hold, dispose of and deal with the shares, stocks, securities and evidences of indebtedness of or the right to participate in profits, assets or other similar documents issued or to be issued by any Government authority, corporation or body, or by any other company and any options or rights in respect thereof.
- (22) To acquire debentures, debenture-stock, bonds, obligations or securities by original subscription, participation in syndicates, tender purchase, exchange or otherwise and to subscribe for the same, either conditionally or otherwise and to guarantee the subscription thereof and to exercise enforce all rights and powers conferred by or incidental to the ownership thereof.
- (23) To pay out of the funds of the Company all or any expenses which the Company may lawfully pay of and incidental to the promotion, formation, organisation, registration, advertising and the establishment of this or any such other company and to the issue and subscription of the share or loan capital including brokerage and commission for obtaining application for, or placing or guaranteeing the placing of the shares or any debenture-stock or other securities of this or any such of company, and also all expenses attending the issue of circulars, reports, maps, plans or notices, or the printing, stamping and circulating of proxies or forms to be filled up by the members of this company subject to section 176(4) of the Companies Act, 1956.
- (24) To distribute any of the assets of property of the Company among the members in specific in the event of winding up or otherwise, but that no distribution amounting to a reduction of capital be made without the sanction of the court where necessary.
- (25) To insure any of the properties, undertaking, contracts guarantees or obligations of the Company of every nature and kind in any manner whatsoever, either fully or partly.
- (26) To promote, carry on, maintain and develop, trade of all kinds and industrial, commercial and financial relations of every kind and description in all matters connected with the main objects of the Company.
- (27) Subject to the provisions of the Companies Act, 1956 to make donations to such persons and in such cases, and either of cash or other assets, as may be thought directly or indirectly conducive to any of the Company's objects, or otherwise expedient, and in particular to remunerate any person or corporation introducing business to this Company, and to subscribe or guarantee money for charitable or benevolent objects, or for any exhibition or for any public, general or other object, and to aid in the establishment and support of associations for the benefit of persons employed by or having dealings

with the Company, and in particular provident, friendly or other benefit societies and to grant any pension, either by pay of an annual payment or a lump sum, to any officer or servant of the Company or to his relatives or dependents. To do all or any of the above things in any part of the world, either as principals, agents, contractors, collaborations, joint ventures, trustees, or otherwise and either alone or in conjunction with others, and either by or through agents, sub-contractors, or otherwise with powers to appoint a trustee or trustees, personal or corporate to hold any property on behalf of the Company and to allow any property to remain outstanding in such trustee or trustees.

- (28) To take all necessary or proper steps in any legislature (Central or Provincial or State or of a Union Territory) or with the authority, government, local, municipal or otherwise of any place in which the Company may have interests, and to carry on any negotiations or operations for the purpose of directly or indirectly carrying out the objects of the Company or affecting any modification in the constitution of the Company or furthering the interest of its members, and to oppose any steps taken by any person or company which may be considered likely directly or indirectly to prejudice the interests of the Company or its members.
- (29) To obtain any order or Act of Legislature or Parliament for enabling the company to obtain all powers and authorities necessary or expedient to carry out or extend any of the objects of the company or for any other purpose which may seem expedient and to oppose any proceedings or applications which seem calculated directly or indirectly to prejudice the Company's interests.
- (30) To aid and support, pecuniarily or otherwise, any person, 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 concerning the objects or business of the Company or related interests.
- (31) To establish, subscribe, contribute, pay, transfer or guarantee money for or to dedicate, donate, present or otherwise dispose of either voluntarily or for value, any money's or properties of the Company to or for the benefit of any national, charitable, benevolent religious, scientific, public, local, general or useful objects, purposes of institutions or to or for any exhibition or for any purpose which may be considered likely directly or indirectly to further the objects of the Company or the interests of its members.
- (32) To refer all questions, disputes or differences arising between the Company and any other person whomsoever (other than a Director of the Company) in connection with or in respect of any matter relating to the business or affairs of the Company to arbitration in such manner and upon such terms as the Company and such other person may mutually agree upon in each case, and such reference to arbitration may be in accordance with the provisions of the Indian Arbitration Act or the Rules of the International Chamber of Commerce relating arbitration or otherwise.
- (33) To enter into negotiation, collaboration, technical, financial or otherwise with any person, firm, company, body corporate, institution or Government for obtaining by grant, licence or on other terms formulas and other rights and benefits, and to obtain technical information, know-how and expert advice for the production, manufacture and export or sale of all types of goods which the Company is authorised to produce or to deal in.
- (34) To arrange for the marketing and sale of the products and by products of the Company and such raw materials, goods and articles remaining in its possession as are normally necessary for carrying on the business of the Company but are not immediately required for use by it, and, for that purpose, either to establish its own shops, agencies or marketing organisations or to appoint selling agents and / or distributors (Whether individuals, firms or bodies corporate) in any place in or outside India, to allot, specify, alter or modify their areas of operations or the terms and conditions of their appointment and to pay remuneration to such selling agents and / or distributors by way of such commission or in such other manner as the Company may deem fit.
- (35) To guarantee the payment of money unsecured or secured by or payable under or in respect of promissory note, bonds, debentures, convertible and non-convertible and debenture - stock, contracts, mortgages, charges, obligations, instruments and securities of any company or of any authority,



- supreme, municipal local or otherwise or of any persons whomsoever whether incorporated and generally to guarantee or become sureties for the performance of any contracts or obligations.
- (36) To promote any other company for the purpose of acquiring all or any of the property and liabilities of this company and pay to any person, firm or body corporate such remuneration and fees and otherwise recompensate them for their time and for services rendered by them and their Directors as promoters of the Company.
- (37) To undertake and execute any trust, the undertaking of which may seem to the company desirable and either gratuitously or otherwise.
- (38) To establish and maintain agencies, branches, places and local registers and procure the company desirable and either gratuitously or otherwise.
- (39) To establish and maintain agencies, branches, places and local registers and procure the company to be registered or recognised and to carry on business in any part of the world.
- (C) The other objects not included in (A) and (B) above:-
- (1) To further the search for development, production, transport refining and acquisition in India or elsewhere of solid, liquid and gaseous hydrocarbons and other minerals and by products.
  - (2) To search for, inspect, examine and explore, work take on lease, purchase or otherwise acquire land and places which may seem to the Company capable of affording a supply of mineral oil.
  - (3) To carry on the business of refining, blending, processing, storing, transporting, supplying, selling and distributing petroleum and petro-chemicals and any products and derivatives thereof.
- IV. The liability of the members is limited.

\*\* Altered by passing resolution at the Annual General Meeting held on 17.09.2008

V. The Authorised Share Capital of the Company is Rs.1500,00,00,000/- (Rupees One Thousand Five Hundred Crores only) divided into 250,00,00,000 (Two Hundred and Fifty Crores only) Equity Shares of Rs.2/- ( Rupees Two only) each aggregating to Rs.500,00,00,000/- (Rupees five hundred crores only) and 100,00,00,000 (One Hundred Crores only) Cumulative Redeemable Preference Shares of Rs.10/- (Rupees Ten only) each aggregating to Rs.1000,00,00,000/- (Rupees one thousand crores only) with rights, privileges and conditions attached thereto as are provided by the regulations of the Company for the time being and to vary, modify or abrogate any such rights, privileges or conditions in such a manner as may be provided by the regulations of the Company, subject to the provisions of the Companies Act,1956.

We, the several persons whose name, descriptions and occupations 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 indicated against our respective names.

Sl.No.	Names, addresses, occupations and description of the subscribers	Number of Shares	Signature
1.	Mr. M.A. Abraham S/o. Late M. Abraham 4, Lakshmi Street Madras - 600 010 Business	1 (One)	(Signed) M.A. Abraham
2.	Vice Admiral K.R. Menon (Retd.) S/o. Late K.P. Kumaran Nair 227, Defence Colony Nandambakkam, Madras - 600 097 Company Executive	1 (One)	(Signed) K.R. Menon
3.	Mr. P. Venkateswaran S/o. Sri V. Parasurama Iyer No. 6, Dr. Radhakrishna Nagar Main Road Madras - 600 041 Company Executive	1 (One)	(Signed) P. Venkateswaran
4.	Mr. S.R. Ramachandran S/o. Late Sri S.S. Ramakrishna Iyer J-1, H16 Flats, Kotturpuram Madras - 600 085	1 (One)	(Signed) S.R. Ramachandran
5.	Mr. S. Pichai Pillai S/o. R. Subramania Pillai P-4, Turnbolls Road, II Cross Street Nandanam, Madras - 600 035 Service	1 (One)	(Signed) S. Pichai Pillai
6.	Mr. N.V. Purandiran S/o. Late N. Vasudeva Pillai 7A, Kammalar Street Tiruttani - 631 209 Service	1 (One)	(Signed) N.V. Purandiran
7.	Mr. N.P. Kumar S/o. Late P.S. Narayanan 246/B-13 Housing Colony VII Avenue, Ashok Nagar Madras - 600 083 Service	1 (One)	(Signed) N.P. Kumar
	<b>Total</b>	7 (Seven)	

Dated at Madras this the 12th day of September 1986  
Witness to the above Signatories at Madras

(Signed)  
Mr. Arun Oommen  
S/o. Mr. K.C. Oommen  
35-B, Shanthi Colony  
Anna Nagar, Madras - 600 040.

**THE COMPANIES ACT, 1956**  
**PUBLIC COMPANY LIMITED BY SHARES**  
**ARTICLES ASSOCIATION**  
**OF**  
**ABAN OFFSHORE LIMITED**

1. Interpretation

(1) Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Act or any statutory modification thereof in force on the date on which the Articles become binding on the company.

(2) The notes hereto are inserted for convenience and shall not affect the construction hereof and in these presents, unless there be something in the subject or context inconsistent therewith:-

"The Act" means the Companies Act, 1956 and includes where the context so admits any re-enactment or statutory modification thereof for the time being in force.

"These Articles" means these Articles of Association as originally framed or any from time to time altered by Special Resolution.

"The Company" means "Aban Offshore Limited".

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

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

"Managing Director" means a Managing Director for the time being of the Company.

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

"Registrar" means the Registrar of Companies, Madras, or any other Registrar from time to time having jurisdiction over the Company.

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

"Shares" means the shares into which the capital is divided and the interests corresponding to such shares.

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

"Dividend" includes any bonus paid in cash but does not include any share issued in satisfaction of capital bonus upon capitalisation of undistributed profit or any share premium account.

"Month" means calendar month.

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

"Proxy" include attorney duly constituted under a power of Attorney.

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

Words importing the singular also include the Plural number and vice versa and words importing the masculine gender also include the feminine gender.

Words importing persons include corporations. Table "A" not to apply

Save as reproduced herein the regulations contained in Table "A" in the First Schedule to Act shall not apply to the Company.

## SHARES

\*\* Altered by passing resolution at the Annual General Meeting held on 17.09.2008

(3) The Share Capital of the Company is Rs.1500,00,00,000/- (Rupees One Thousand Five Hundred Crores only) divided into 250,00,00,000 (Two Hundred and Fifty Crores only) Equity Shares of Rs.2/- ( Rupees Two only) each aggregating to Rs.500,00,00,000/- (Rupees five hundred crores only) and 100,00,00,000 (One Hundred Crores only) Cumulative Redeemable Preference Shares of Rs.10/- (Rupees Ten only) each aggregating to Rs.100,00,00,000/- (Rupees one thousand crores only) with power to increase or reduce the capital in accordance with the provisions of the Companies Act, 1956.

(4) Company shall be entitled to purchase its own shares or other securities subject to the limits and upon such terms and conditions and subject to such approvals as requested under section 77A of the Companies Act, 1956 and other applicable provisions, rules, regulations and bye-laws and any amendments, modifications, repromulgation's or re-enactment thereof.

*Allotment of Shares* (5) Subject to the provisions of these Articles and of Section 81 of the Act, the shares shall be under the control of the Board who may allot to such persons, on such terms and conditions, at such times, either at par or at a premium and for such consideration as the Board thinks fit.

\*provided that the option or right to call of shares not given to any person except with the sanction of the company in General Meeting.

*Redeemable Preference shares* (6) Subject to the provisions of these Articles, the Company shall have power to issue Preference shares carrying a right to redemption out of profits which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purpose such redemption or liable to be redeemed at the option of the Company and the Board may, subject to the provisions of Section 80 of the Act, exercise such power in such manner as may be provided in these Articles.

*Commission Brokerage* (7) The company is entitled to issue shares at a premium or at a discount subject to Section 78 & 79 of the Act and to pay commission on the shares subscribed or agreed to be subscribed subject to Section 76 of the Act.

*Liability of joint holders shares* (8) 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.

*Trust not recognised* (9) Save as otherwise provided in the Act, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not, except as ordered by a Court of competent

jurisdiction, or as by Statute required, be bound to recognise any equitable or to other claim to or interest in such share on the part of any other person.

**Who may be registered** (10) Shares may be registered in the name of any person, company, registered society or other body corporate.

**Acceptance of Shares** (11) Any application signed by any applicant for shares in the Company, or where the power of attorney or other authority under which such application is signed or a notarially certified copy of power of authority is deposited at the Registered Office of the Company, an application signed on behalf of such person, followed by an allotment of any share therein shall, be 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 Articles be a Member.

**Deposit and call to be a debt payable immediately** (12) The money (if any) which the Board shall, on the allotment of any shares being made by it, require or direct to be paid by way of deposit, call or otherwise in respect of any shares allotted by it shall, immediately on the entry 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.

### CERTIFICATES

**Issue of Share Certificate** (13)(1) The issue and sealing of share certificates and duplicates and the issue and sealing of new share certificates which are surrendered for cancellation due to their being defaced, torn, old, decrepit or worn out or the cages for recording transfers having been utilised or of share certificates which are lost or destroyed shall be in accordance with the provisions of the Companies (Issue of Share Certificates) Rules 1960 or any statutory modification or re-enactment thereof. If any share certificate be lost or destroyed then, upon proof thereof to the satisfaction of the Board, and on such indemnity as the Board thinks fit being given, a new Certificate in lieu thereof shall be given to the party entitled to the shares to which such lost or destroyed Certificate shall relate.

(13)(2) Every member shall be entitled free of charge, to one certificate for all the shares of each class registered in his name or, if the Board so approves to several certificates each for one or more of such shares. Unless the conditions of issue of any shares otherwise provides, the Company shall, within three months after the date of allotment and on surrender to the company of its letter making the allotment or of its fractional coupons of requisite value (save in the case of issue against letters of acceptances or of renunciation or in the case of issue of bonus shares) or within one month of receipt of the application for registration of the transfer of any of its shares, as the case may be complete and have ready for delivery the certificates of such shares. In respect of any share held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate to the first named of several joint holders shall be sufficient delivery to all such holders. For every duplicate certificate the Board may charge such out of pocket expenses incurred by the company in investigating evidence as the Board may determine.

(13)(3) Share/debenture certificate shall be issued in marketable lots and where share/debenture certificate are issued for either more or less than

marketable lots, sub-division or consolidation into marketable lots shall be done free of charge.

- 13(4) Provided that no share certificate shall be issued in respect of shares held in dematerialised form.

## CALLS

**Calls** (14) The Board may, from time to time, subject to the terms on which any share may have been issued, and subject to the provisions of Section 91 of the Act, make such calls as the Board thinks fit upon the members in respect of all moneys unpaid on the shares held by them respectively, and not by the conditions of allotment thereof made payable at fixed times, and each member shall pay the amount of every call so made on him to the persons and at the times and places appointed by the Board. A call may be made payable by instalments and shall be deemed to have been made when the resolution of the Board authorising such call was passed.

**Restoration on Power to make Calls and Notice** (15) No call shall exceed one-fourth of the nominal amount of a share, nor shall it be made payable within one month after the last proceeding call was payable. Not less than one month's notice of any call shall be given specifying the time and place of payment and to whom such call shall be paid

**When interest on call or installment payable** (16)(1) If the sum payable in respect of any call or instalment be not paid on or before the day appointed for payment thereof, the holder for the time being in respect of the share for which the call shall have been made or the installment shall be due shall pay interest for the same at the rate of twelve percent per annum from the date appointed for the payment thereof to the time of the actual payment or at such lower rate (if any) as the Board may determine.

- (2) The Board shall be at liberty to waive payment of any such interest either wholly or in part.

**Amount payable at Fixed Times of Payable by installments as calls** (17) If by the terms of issue of any share or otherwise any amount is made payable at any fixed time, or by installment at fixed times, whether on account of the amount or installment of the share or by way of premium every such amount shall be payable as it were a call duly made by the Board and of which due notice had been given, and all the provisions herein contained in respect of calls shall relate to such amount or installment accordingly.

**Evidence in Actions by Company against Shareholders** (18) Subject to the provisions of any law in force to the contrary on the trial or hearing of any action or suit brought by the Company against any shareholder or his representatives to recover any debt or money claimed to be due to the Company in respect of his share, it shall be sufficient to prove that the name of the defendant is, or was when the claim arose, on the Register as a holder or one of the joint holders of the number of shares in respect of which such claim is made, and that the amount claimed is not entered as paid in the books of the Company and it shall not be necessary to prove the appointment of the Board who made any call, nor that a quorum was present at the Board Meeting at which any call was made nor that the meeting at which any call was made was duly convened or constituted, nor any other matter whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.

- Payment of Calls in advance** (19) The Board may if it thinks fit receive from any member willing to advance the same all or any part of the money so paid or satisfied in advance or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been the Company may pay interest at such rate not exceeding, unless the Company in General Meeting shall otherwise direct, ten percent per annum as the member paying such sum in advance and the Board agree upon. Money said paid in excess of the amount of calls shall not rank for dividends or confer any voting rights or a right to participate in profits. The Board may at any time repay the amount so advanced upon giving to such member not less than three months' notice in writing.
- Revocation of call** (20) A call may be revoked or postponed at the discretion of the Board.
- Forfeiture and Lien** (21) If Call or installment not paid notice may be given. If any member fails to pay any call or installment of a call on or before the day appointed for the payment of the same, the Board may, at any time thereafter during such time as the call or installment remains unpaid, serve a notice on such member requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.
- Form of notice** (22) The notice shall name a day (not being less than one month from the date of the notice), and a place or places on and at which such call or installment and such interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment at or before the time and at the place appointed, the shares in respect of which such call was made or installment is payable will be liable to be forfeited. If notice not complied with Shares may be forfeited.
- (23) If the requirements of any such notice as aforesaid are not complied with any shares in respect of which such notice has been given may, at any time thereafter, before payment of all calls or installments, interest and expenses due in respect thereof, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.
- Notice after forfeiture** (24) When any share shall have been so forfeited, notice of the resolution shall be given to the member in whose name it stood immediately prior to the forfeiture and in entry of the forfeiture, with the date thereof, shall forthwith be made in the Register; but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.
- Effect of forfeiture** (25) The forfeiture of a share shall involve the extinction, at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of that share, and all other rights incidental to the share except such as are by these Articles expressly saved.
- Forfeited share to become property of the Company** (26) Any share so forfeited shall be deemed to be the property of the Company, and the Board may sell, re-allot or otherwise dispose of the same in such manner as it thinks fit.
- Power to annual forfeiture** (27) The Board may, at any time before any share so forfeited shall have been sold, re-allotted or otherwise disposed of, annual the forfeiture hereof upon such conditions as it thinks fit.

**Liability on forfeiture** (28) A person whose share has been forfeited shall cease to be a member in respect of the forfeited share, but shall, notwithstanding such forfeiture remain liable to pay and shall forthwith pay to the Company all calls or installments, interest and expenses owing upon or in respect of such share; at the time of the forfeiture, together with interest thereon from the time of forfeiture until payment, at twelve per cent per annum and the Board may enforce the payment thereof or any part thereof, without any deduction or allowance for the value of the share at the time of forfeiture, but shall not be under any obligation to do so.

**Evidence of forfeiture** (29) A duly verified declaration in writing that the declarant is a Director, the Managing Director, Manager or Secretary of the Company, and that certain shares in the Company have been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares and such declaration and the receipt of the Company for the consideration, if any, given for the shares on the sale or disposition thereof shall constitute a good title to such share; and the person to whom, any such share is sold shall be registered as the holder of such share and shall not be bound to see to the application of the purchase money, nor shall his title to such share be affected by any irregularity or invalidity in the proceedings in reference to such forfeiture, sale or disposition.

**Partial payment not to preclude forfeiture** (30) Neither the receipt by the Company of any money which shall from time to time be due from any member to the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as herein before provided.

**Forfeiture provisions to apply to non-payment in terms of issue** (31) The provisions of Articles 21 to 30 hereof shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at fixed time, whether on account of the nominal value of a share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

**Company's lien on shares** (32) The Company shall have a first and paramount lien upon every share (not being fully paid up) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys called or payable at a fixed time in respect of such share whether the time for the payment thereof shall have actually arrived or not and no equitable interest in any share shall be created except upon the footing and condition that Article 9 hereof is to have full effect. Such lien shall extend to all dividends from time to time declared in respect of such share. Unless otherwise agreed, the registration of a transfer of a share shall operate as a waiver of the Company's lien, if any, on such share.

**As to enforcing lien by sale** (33) For the purpose of enforcing such lien the Board may sell the share subject thereto in such manner as it thinks fit, but no sale shall be made until such time for payment as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such member, his executor or administrator or his committee CURATOR BONDS or other legal representative as the case may be and default shall have been made by him or them in the payment of the moneys called or payable at a fixed time in respect of such share for one month after the date of such notice.



**Application of proceeds of sale** (34) The net proceeds of the shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable, and the residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the share before the sale) be paid to the person entitled to the share at the date of sale. Validity of sale in exercise of lien and after forfeiture.

**Validity of sale in exercise of lien and after forfeiture** (35) Upon any sale after forfeiture or for enforcing a line in purported exercise of the powers herein before given, the Board may appoint some person to execute an instrument of transfer of the share sold and cause the purchaser's name to be entered in the Register in respect of the share sold, and the purchaser shall not be bound to see the regularity of the proceedings, nor to the application of the purchase money, and after his name has been entered in Register in respect of such share 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.

**Board may issue new certificates** (36) Where any share under the powers in that behalf herein contained is sold by the Board and the certificate in respect thereof has not been delivered upto the Company by the former holder of such share, the Board may issue a new certificate for such share distinguishing it in such manner as it may think fit from the certificate not so delivered up.

(36)(a) Notwithstanding anything contained in these articles the Company shall be entitled to dematerialize its existing securities, rematerialise its securities held in the Depositories and / or offer its fresh securities in a dematerialised form pursuant to the Depositories Act, 1996 and any rules framed thereunder and any amendments modifications, re-promulgation or re-enactment thereof for the time being in force.

36(b) Option for Investors; i) Every person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold the securities with a Depository. Such person being a Beneficial Owner of the securities can at any time opt out of a depository, if permitted and in the manner provided by law and the company shall in the manner and within the time prescribed, issue to the beneficial owner the required certificate of securities.

ii) If a person opts to hold his security with a depository the company shall intimate such depository the details of allotment of the security and on receipt of the information the depository shall enter in its record the name of the allottee as the Beneficial Owner of the securities.

iii) All securities held by a depository shall be dematerialized and be in fungible form. Nothing contained in Sections 153, 153A, 153B, 187B, 187C and 372A of the Act shall apply to a Depository in respect of the securities held by it on behalf of the Beneficial Owners.

36(c) Rights of Depositories and Beneficial Owners

(i) Notwithstanding anything to the contrary contained in the Act or these Articles a depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of security on behalf of the Beneficial Owner.

- ii) Save as otherwise provided in above the Depository as the registered owner of the securities shall not have any voting rights or to other rights in respect of the securities held by it.
- iii) The Beneficial Owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities held by a Depository.
- 36(d) **Service of Documents** - Notwithstanding anything contained in the Act or these Articles to the contrary where securities are held in a Depository the record of the Beneficial Owner may be served by such depository on the Company by means of electronic mode or by floppies or discs by any other manner as may be permitted by law.
- 36(e) **Transfer of securities** - Nothing contained in section 108 of the Act or these articles 37,38,39 and 42 of these Articles of Association shall apply to a transfer of securities effected by a transferor or transferee both of whom are entered as Beneficial Owners in record of Depository. Subject to the Provisions of the Act, the Board shall without assigning any reason for such refusal may refuse to register any transfer of or, the transmission by operation of law of any security held within a Depository or any right therein.
- 36(f) **Distinctive Nos. of securities held in a Depository** - Nothing contained in these Articles regarding the necessity of having distinctive number of securities issued by the Company shall apply to securities held with a Depository.

## TRANSFER AND TRANSMISSION

- Execution of transfer etc.** (37) Save as provided in Section 108 of the Act, no transfer of a share shall be registered 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 and specifying the name, address and occupation if any, of the transferee has been delivered to the Company together with the certificate relating to the share or, if no such certificate is in existence, the Letter of Allotment of the share. Each signature to such transfer shall be duly attested by the signature of one credible witness who shall add his address.
- Application by Transferor** (38) Application for the registration of the transfer of a share may be made either by the transferor or the transferee, provided that where such application is made by the transferor, no registration shall, in the case of a partly paid share, be reflected unless the company gives notice of the application to the transferee in the manner prescribed by Section 110 of the Act, subject to the provision of these Articles, the Company shall, unless objection is made by the transferee within two weeks from the date of receipt of the notice, enter in the Register the name of the transferee in the same manner and subject to the same conditions as if the application for registration of the transfer was made by the transferee.
- Form of Transfer** (39) The instrument of transfer of any share shall be in writing and shall be in the form prescribed by Section 108 (1A) of the Act.
- In what cases the Board may refuse to register transfer** (40) Subject, to the provisions of Section 111A of the Act, the Board, without assigning any reason for such refusal may refuse to register any transfer of, or the transmission by operation of law of the right to a share.

- Registration of a transfer of shares shall not be refused on the ground of the transferor being either alone or jointly with any other person indebted to the Company on any account whatsoever except a lien on the shares.
- No transfer to minor etc.** (41) No transfer of shares shall be made to a minor or person of unsound mind.
- Transfer to be left at office. When to be retained.** (42) Every instrument of transfer shall be left at the office for registration, accompanied by the certificate of the share to be transferred or, if no such certificate is in existence, by the Letter of Allotment of the share, and such other evidence as the Board may require to prove the right of the transferor to transfer the share. Every instrument of transfer which shall be registered shall be retained by the Company, but any instrument of transfer which the Board may refuse to register shall be returned to the person depositing the same.
- Notice of refusal to register transfer** (43) If the Board refuses whether in pursuance of Article 40 hereof or otherwise to register the transfer of, or the transmission by operation of law of the right to any share the Company shall give notice of the refusal.
- Transmission of registered shares** (44) Subject to the right of nomination as contained in the Article 47(b) of the Articles of Association, the Executor or Administrator of a deceased member (Not being one of several joint holders) shall be the only person recognised by the Company as having any title to the share registered in the name of such member, and in case of the death of any one or more of the joint holders of any registered share, the survivor or survivors shall be the only person or persons recognized by the Company as having any title to or interest in such share, but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on the share held by him jointly with any other person. Before recognizing any executor or administrator the board may require him to obtain a Grant of Probate or Letters of Administration, Succession Certificate or other legal representation, as the case may be, from a competent court in India, and having effect in Madras; Provided nevertheless that in any case where the Board in its absolute discretion thinks fit it shall be lawful for the Board to dispense with the production of Probate or Letters of Administration, Succession Certificate or such other legal representation upon such terms as to indemnify or otherwise as the Board, in its absolute discretion, may consider adequate.
- As to transfer of shares of insane, deceased or bankrupt members** (45) Any Committee or guardian of a lunatic member of any person becoming entitled to or to transfer of share in consequence of the death or bankruptcy or insolvency of any member upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of his title as the Board thinks sufficient, may with the consent of the Board (which the Board shall not be bound to give), be registered as a member in respect of such share, or may subject to the regulations as to transfer herein before contained, transfer such share. This Article is hereinafter referred to as 'the Transmission Article'.
- Election under Transmission Article** (46)(1) If the person so becoming entitled under the Transmission Article shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.
- (2) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing an instrument of transfer of the share.

(3) All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of instruments of transfer as a share shall be applicable to any such notice or transfer as aforesaid as if the death, lunacy, bankruptcy or insolvency of the member has not occurred and the notice of transfer were a transfer signed by that member.

**Rights of person entitled to shares under the Transmission Article** (47) A person so becoming entitled under the Transmission Article to a share by reason of the death, lunacy, bankruptcy or insolvency of the holder shall, subject to the provisions of Article 85 hereof and of Section 206 of the Act, be entitled to the same dividends and other advantages as he would be entitled to if he were the registered holder of the share. Provided that the Board may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the share, until the requirements of the notice have been complied with.

(47)(a) No fee shall be charged for transfer of share / debenture or for effecting transmission or for registering any letters of probate, letters of administration and other similar documents.

**47(b) Nomination of Shares / Debentures**

**Right of Nomination** (i) Notwithstanding anything to the contrary contained in these Articles every share / debenture holder may at any time nominate a person to whom his shares / debentures shall best in the event of his death, in the manner prescribed under the Act and any rules regulations made thereunder for the time being in force.

(ii) Where the shares / debentures of the Company are held by more than one person jointly, joint holders may together nominate a person to whom all the rights in the shares / debentures shall vest in the event of death, in the manner prescribed under the Act and any rules regulations made there under for the time being in force.

(iii) Notwithstanding anything contained in any other law for the time being in force or in any disposition whether testamentary or otherwise where a nomination made in the prescribed manner purports to confer on any person the right to vest the shares / debentures of the Company, the nominee shall on death of the holders or as the case may be on death of holders or as the case may be on death of all the joint holders be entitled to all the rights in the shares / debentures of the Company to the exclusion of all other persons unless the nomination is varied or cancelled.

(iv) A member or in the case of joint holder, all the joint holders may revoke or vary his nomination at any time by notifying the Company in writing to this effect.

(v) Any person who becomes a nominee by virtue of the aforesaid provision upon the production of such evidence as required by the Board or the committee thereof and subject as hereinafter provided, elect either.

- a) to be registered as a holder of shares / debentures or
- b) to make such transfer as the deceased holder could have made

- (vi) If the nominee elects to be registered as holder of the shares / debentures he shall submit to the Company a notice in writing signed by him to such effect, accompanied with the death certificate of the deceased holder.
- (vii) The board shall have the same right to decline or suspend registration, as it would have had if the deceased holder had effected such transfer.
- (viii) No person shall be recognised by the Company as the nominee unless the holder had during his life time given an intimation to the Company of having appointed a nominee in the manner prescribed in the law for the time being in force.
- (ix) A nominee shall be entitled to the dividend and other advantages to which he would be entitled if he were the registered holder of such shares / debentures provided that he shall not before being registered as a member be entitled to exercise any right conferred by membership in relation to the Company. Provided further that the board may at any time give notice requiring any such person to elect either to be registered himself or to transfer the shares / debentures and if the notice is not complied within 90 days the Board may thereafter withhold payment of all dividends bonuses shares or other moneys payable in respect of shares / debentures until the requirements of the notice have been complied with.

#### INCREASE AND REDUCTION IN CAPITAL

- Power to Increase Capital** (48) The Company in General Meeting may, from time to time by Ordinary Resolution, increase the capital by the creation of new shares of such amount as may be deemed expedient.
- On what conditions new shares may be issued** (49) Subject to any special rights or privileges for the time being attached to any shares in the capital of the Company then issued and the provisions of Sections 81 and 86 of the Act the new shares may be issued upon such terms and conditions and with such rights and privileges attached thereto as the General Meeting resolving upon the creation thereof shall direct, and if no direction be given, as the Board shall determine, in particular such shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company.
- How far new shares to rank with existing shares** (50) Except so far as otherwise provided by the conditions of issue or by these presents, any capital raised by the creation of new shares shall be considered part of the then existing capital of the company and shall be subject to the provisions herein contained with reference to the payment of dividends, calls and installments, transfer and transmission, forfeiture, lien, surrender and otherwise.
- Inequality in number of new shares** (51) If, owing to any inequality in the number of new shares to be issued and the number of shares held by members entitled to have the offer of such new shares, any difficulty shall arise in the appointment of such new shares or any of them amongst the members, such difficulty shall, in the absence of any direction in the resolution creating the shares or by the Company in General Meeting be determined by the Board.
- (52) The Company may, from time to time, by Special Resolution, reduce its capital and any Capital Redemption Reserve Account or Share premium Account in any manner and with and subject to any incident authorized and consent required by law.

**Surrender of shares** (53) Subject to the provisions of Sections 100 to 105 inclusive of the Act, the Board may accept from any member the surrender, on such terms and conditions as shall be agreed of all or any of his shares.

#### **ALTERATION OF CAPITAL**

**Power to subdivide and consolidate shares**

(54) The company in general meeting may from time to time:

- (a) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares.
- (b) Sub-divide its existing shares or any of them into shares of smaller amount than if 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 the share from which the reduced share is derived; and
- (c) Cancel any shares, which at the date of the passing of the resolution have not been taken or agreed to be taken by any person and diminish the amount of its share capital, by the amount of the shares so cancelled.

(55) The resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division, one or more of such shares shall have some preference or special advantages as regards dividend, capital, voting or otherwise over or as compared with the others or others, subject, nevertheless, to the provisions of Sections 85, 87, 88 and 106 of the Act.

#### **MODIFICATION OF RIGHTS**

**Power to modify rights**

(56) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the share of that class) may whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths 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. To every such separate General Meeting the provisions of these Articles relating to General Meetings shall apply, but so that the necessary quorum shall be two persons at least holding or representing by proxy one-fifth of the issued shares of the class. If at any adjourned meeting of such holders quorum as above defined is not present, those members who are present shall be a quorum and any holder of shares of the class present in person or by proxy may demand a poll and, on a poll, shall have one vote for each share of the class of which he is the holder. This Article is not by implication to curtail the power of modification, which the Company would have, if this article were omitted.

**Power to issue share warrants**

(57) The Company may issue share warrants subject to and in accordance with the provisions of Sections 114 and 115 of the Act, and accordingly to Board may in its discretion with respect to any share which is fully paid up, on application in writing signed by the person registered as holder of the share, and authenticated by such evidence (if any) as the Board may, from time to time, require as to the identity of the person signing the application, and on receiving the certificate (if any) of the share and the amount of the stamp duty on the warrant and such fee as the Board may from time to time require, issue a share warrant.

*Rights of the bearer of share warrant*

(58) (1) The bearer of a share warrant may at any time deposit the warrant at the office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the Company, and of attending and voting and exercising the other privileges of a member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the register of Members, as the holder of the shares included in the deposited warrant.

(2) Not more than one person shall be recognized as depositor of the share warrant.

(3) The Company shall, on two day's written notice, return the deposited shares warrant to the depositor.

*Registrations on bearer of share warrants*

(59) (1) Subject as herein otherwise expressly provided, no person shall, as bearer of a share warrant, sign a requisition for calling a meeting of the Company, or attend, or vote or exercise any other privilege of a member at a meeting of the Company, or be entitled to receive any notice from the Company.

(2) The bearer of a share warrant shall be entitled in all other respects to same privileges and advantages as if he was named in the Register of Members as the holder of the share included in the warrant, and he shall be a member of the Company.

*Board's power to make rules for share warrants*

(60) The Board may from time to time make rules as to the terms on which (if it shall think fit) a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.

**CONVERSION OF SHARES INTO STOCK**

(61) The Company may, by Ordinary Resolution, subject to the provision of Sections 94 to 96 of the Act, convert any fully paid-up shares into stock, and re-convert any stock into paid-up shares of any denominations.

**RIGHTS OF STOCKHOLDERS**

*Transfer of stock*

(62) The holders of stock may transfer the same or any part thereof in the same manner and subject to the same regulations as and subject to which the shares from which the stock arose might previously conversion have been transferred, or as near thereto as circumstances admit, and the Directors may, from time to time, fix the minimum amount of stock transferable, provided that such minimum shall not exceed the nominal of the shares from which the stock arose.

*Rights of Stockholders*

(63) 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 meetings of the Company and other matters as if they held the shares from which the stock arose, but not such privilege or advantages (except participation in the dividends and profits of the Company and in the assets on a winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantages.

**BORROWING POWERS**

*Powers to borrow*

(64) The Board may, from time to time as its discretion subject to the provisions of Sections 297, 293 and 372 A of the Act, as amended from time to time, raise or borrow, either from the Directors or from elsewhere,

and secure the payment of any sum or sums of money for the purposes of the Company provided that the Board shall not, without the sanction of the Company in General Meeting, borrow any sum of money which together with money already borrowed by the Company (apart from temporary loans obtained from the Company's bankers) in the ordinary course of business) will exceed the aggregate for the time being of the paid-up capital of the Company and its free reserves, that is to say, reserves not set aside for any specific purpose.

**Conditions on which money may be borrowed**

(65) The Board may raise or secure the repayment of such sum or sums in such manner and upon such terms and conditions in all respects as it thinks fit, and in particular, by the issue of bonds perpetual or redeemable debentures or debenture stock (convertible & non-convertible) or any mortgage or other security on the undertaking of the whole or any part of the property of the Company (both present and future) including its uncalled capital for the time being.

**Issue at discount or with special privileges**

(66) Any debentures & debenture-stock (convertible & non-convertible) bonds or other securities may be issued at a discount, premium or otherwise and with any special privileges as to redemption, surrender, drawings, allotment of shares, appointment of Directors and otherwise. Debentures, debenture-stock, bonds and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

Provided that debentures with the right to allotment of or conversion into shares shall not be issued except in conformity with the provisions of Section 81 (3) of the Act.

**Instrument of Transfer**

(67) Save as provided in Section 108 of the Act, no transfer of debentures shall be registered unless a proper instrument of transfer duly stamped and executed by the transferor and transferee has been delivered to the Company together with the certificate of the debentures.

(68) If the Board refuses to register the transfer of any debentures, the Company shall give notice of the refusal in accordance with the provisions of Section 11 (2) of the Act.

**GENERAL MEETINGS**

**When Annual General Meeting to be Held**

(69) In addition to any other meetings, General Meetings of the Company shall be held within such intervals as are specified in Section 166(1) of the Act, and subject to the provisions of Section 166(2) of the Act, as such times and places as may be determined by the Board. Each such General Meeting shall be called as "Annual General Meeting" and shall be specified as such in the notice convening the meeting. Any other meeting of the Company shall be called an "Extra ordinary General Meeting". (When other Extra-ordinary General Meeting to be called).

**When other extra-ordinary General Meeting to be called**

(70) The board may whenever it thinks fit call an Extra-ordinary General Meeting and it shall on the requisition of the members in accordance with Section 169 of the Act, proceed to call an Extra-ordinary General Meetings. The requisitionists may, default of the Board convening the same convene the Extraordinary General Meeting as provided by Section 169 of the Act.



<b>Member's power to call meeting</b>	(71) If at any time there are not within India Directors capable of acting who are sufficient in number to form a quorum any Director or any two members of the Company may call an Extraordinary General Meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.
<b>Circulation of member's resolution</b>	(72) The Company shall comply with the provisions of Section 188 of the Act as to giving notice of resolutions and circulating statements on the requisition of members.
<b>Notice of Meeting</b>	(73) (1) Save, as provided in sub-section (2) of Section 171 of the Act, not less than twenty one day's notice shall be given of every general meeting of the Company. Every notice of a meeting shall specify the place and the day and hour of the meeting and shall contain a statement of the business to be transacted thereat and there shall appear with reasonable prominence in every such notice a statement that a member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of him and that a proxy need not be a member of the Company. Where any such business consists of special business as hereinafter defined in Article 74 hereof there shall be annexed to the notice a statement complying with Section 173 (2) and (3) of the Act.  (2) Notice of every meeting of the Company shall be given to every member of the Company, to Auditors of the Company, and to any persons entitled to a share in consequence of the death or insolvency of a member in any manner hereinafter authorised for the giving of notices to such persons provided that where the notice of a general meeting is given by advertising the same in newspaper circulating in the neighbourhood of the Office under sub-section (3) of Section 53 of the Act, the statement of material facts referred to in Section 173 (2) of the Act need not be annexed to the notices as required by that Section but it shall be mentioned in the advertisement that the statement has been forward to the members of the Company.  (3) The accidental omission to give any such notice to or its non-receipt by any member or other person to whom it should be given shall not invalidate the proceedings of the meeting.
<b>Proceedings at General Meetings</b>	(74) The ordinary business of an Annual General Meeting shall be to receive and consider the Profit and Loss Account the Balance Sheet and the Reports of the Directors and of the Auditors, to elect Directors in the place of those retiring, to appoint Auditors and fix their remuneration and to declare dividends. All other business transacted at Annual General Meeting and all business transacted at any other General Meeting shall be deemed special business.
<b>Quorum to be present when business commences</b>	(75) No business shall be transacted at any General Meeting unless a quorum of members is present at the time when the meeting proceeds to business. Save as herein otherwise provided five members present in person shall be a quorum.
<b>When, if quorum not present meeting to be dissolved and then to be adjourned.</b>	(76) If within half an hour from the time appointed for the meeting a quorum is not present, the meeting if convened upon the requisition of members as aforesaid, shall be dissolved, but in any other case it shall stand adjourned in accordance with the provisions of sub-sections (3) and (4) and (5) of Section 174 of the Act.

**Resolution to be passed by  
Company in General Meeting**

(77) Any act or resolution which under the provisions of these Articles or of the Act is permitted or required to be done or passed by the Company in General Meeting shall be sufficiently so done or passed if effected by an Ordinary resolution as defined in Section 189 (1) of the Act unless either the Act or these Articles specifically require such act to be done or resolution passed by a Special Resolution as defined in Section 189 (2) of the Act.

**Chairman of General Meeting**

(78) The Chairman of the Board or the person acting Chairman of the Board shall be entitled to take the chair at every General Meeting. If there be no such Chairman, or if at any meeting he shall not be present within fifteen minutes after the time appointed for holding such meeting or is unwilling to act, the members present shall choose another Director as Chairman and if no Director be present, or if all the Directors present decline to take the chair, then the members present shall on a show of hands or on a poll if properly demanded, elect one of their members, being a member entitled to vote, to be Chairman.

**How resolutions to be decided in  
the meeting**

(79) Every resolution submitted to a meeting shall be decided in the first instance by a show of hands, and in the case of an equality of votes, whether on a show of hands or on a poll the Chairman of the meeting shall have a casting vote in addition to the vote to which he may be entitled as a member.

**What is to be evidence of the  
Passing of a resolution when poll  
not demanded**

(80) At any General Meeting, unless a poll is (before or on the declaration of the result of the show of hands) demanded in accordance with the provisions of Section 179 of the Act, a declaration by the Chairman that the resolution has or has not been carried, or has or has not been carried unanimously or by a particular majority and on entry to that effect in the book containing the minutes of the proceedings of the Company shall be convulsive evidence of the fact, without proof of the number or proportion of the votes cast in favour of or against the resolution.

**Poll**

(81) (1) 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 by any member of members present in person or by proxy and holding shares in the company which confer a power to vote on the resolution or on which an aggregate sum of not less than fifty thousand rupees has been or on paid up. A poll demanded on a question of adjournment or election of chairman shall be taken forthwith and 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 and at such place as the Chairman of the meeting directs and subject as aforesaid either at once or after an interval or adjournment or otherwise, and the result of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was demanded.

(2) The demand of a poll may be withdrawn at any time.

(3) (a) Where a poll is to be taken the Chairman of the meeting shall appoint two scrutineers, one at least of whom shall be a member (not being an officer or employee of the Company) present at the meeting provided such member is available and willing to be appointed to scrutinise votes given on the poll and to report to him thereon.

(b) 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 scrutineer arising from such removal or any other cause.

(4) On a poll a member entitled to more than one vote, or his proxy or other persons 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.

(5) The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than question on which a poll has been demand.

**Power to adjourn General Meeting**

(82) (1) The Chairman may with the consent of any meeting at which a quorum is present and shall if so directed by the meeting, adjourn the same from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(2) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of the original meeting but save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

**VOTES OF MEMBERS**

**Votes of Members**

(83) (1) Save as hereinafter provided on a show of hands every member present in person and being a holder of Equity shares shall have one vote.

(2) Save as hereinafter provided on a poll the voting rights of a holder of Equity shares shall be as specified in Section 87 of the Act.

(3) The holders of Preference shares shall not be entitled to vote at General Meetings of the Company except as provided for in Section 87 of the Act.

**Procedure where a Company or Body Corporate is a member of the Company**

(84) Where a company or a body corporate (hereinafter called 'Member Company') is a member of the Company, a person duly appointed by resolution in accordance with the provisions of Section 187 of the Act to represent such member company at a meeting of the Company shall not by reason of such appointment be deemed to be a proxy, and the lodging with the Company at the Office or production at the meeting of a copy of such resolution duly signed by a Director of such member company and certified by him as being a true copy of the resolution shall, on production at the meeting be accepted by the Company as sufficient evidence of the validity of his appointment. Such a person shall be entitled to exercise the same rights and powers, including the right to vote by proxy on behalf of the member company which he represents, as that member Company could exercise if it were an individual member. Provided that no member Company shall votes by proxy so long as a resolution of its Board of Directors under the provision of Section 187 of the Act is in force and the representative named in such resolution is present at the General Meeting at which the vote by proxy is tendered.

***Votes in respect of deceased insane and insolvent members***

(85) Any person entitled under the Transmission Article to transfer any shares may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that forty-eight hours atleast before the time of holding the meeting or adjourned meeting the case may be at which he proposes to vote, he shall satisfy the Board of his right to transfer such shares unless the Board shall have previously admitted his right to vote at any such meeting in respect thereof. If any member be a lunatic, idiot or NON COMPOSMENTS, he may vote whether on a show of hands, or at a poll by his committee, CURATOR BOND or other legal curator and such last mentioned persons may give their votes by proxy.

***Joint holders***

(86) Where the are joint registered holders of any share any one of such persons may vote at any meeting either personally or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint holders be present at any meeting either personally or by proxy that one of the said persons so present whose name stands first on the Register in respect of such share alone shall be entitled to vote in respect thereof. Several executors or administrators of a deceased member in whose name any share is registered shall for the purpose of this Article the deemed joint holders thereof.

***Vote on a poll***

(87) On a poll votes may be given either personally or by proxy, or in the case of a body corporate, by a representative duly authorised as aforesaid and a person entitled to more than one vote need not use all his votes or cast all the votes he used in the same way.

***Instrument appointing proxy to be in writing***

(88) (1) The instrument appointing a proxy shall be in writing under the hand of the appointer or of his Attorney duly authorised in writing or if such appointer is a body corporate be under its common seal or the hand of its officer or Attorney duly authorised.

(2) A person may be appointed a proxy though he is not a member of the Company and every notice convening a meeting of the Company shall state this and shall also state that a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of him.

***Instrument appointing a proxy to be deposited at the office***

(89) The instrument appointing a proxy and the Power of Attorney or other authority (if any) under which it is signed, or a notarially certified copy of that power authority shall be deposited at the office not less than forty-eight hours before the time for holding the meeting at which the person named in the instrument purports to vote in respect thereof and in default the instrument of proxy shall not be treated as valid.

***When vote by proxy valid through authority revoked***

(90) A vote given in accordance with the terms of an instrument appointing a proxy shall be valid notwithstanding the previous death or insanity of the principal or the revocations of the instrument or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death, insanity, revocation or transfer of the share shall have been received by the Company at the office before the commencement of the meeting or adjourned meeting at which the proxy is used. Provided nevertheless that the Chairman of any meeting shall be entitled to require such evidence as he may in his discretion think fit of the due execution of an instrument of proxy and that the same has not been revoked.

**Form of instrument appointing a proxy**

(91) Every instrument appointing a proxy shall be retained by the Company and shall be in either of the forms specified in Schedule IX of the Act or a form as near thereto as circumstances will admit.

**Restrictions on voting**

(92) No member shall be entitled to exercise any voting rights either personally or by proxy at any meeting of the Company in respect of any share registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has and has exercised any right of lien.

**Admission or rejection of votes**

(93) (1) Any objection as to the admission or rejection of a vote, either on a show of hands or on a poll made in due time shall be referred to the Chairman who shall forthwith determine the same, and such determination made in good faith shall be final and conclusive.

(2) No objection shall be raised to the qualification of any voter except at the meeting of adjourned meeting at which the vote objected to is given or tendered and every vote not disallowed at such meeting shall be valid for all purposes.

**DIRECTORS**

**Number of Directors**

(94) Until otherwise determined by Special Resolution the number of Directors shall not be less than three nor more than ten.

The first directors of the company shall be the following :

- 1) Mr. M. A. Abraham
- 2) Mr. Alexander Vellapally V.M
- 3) Mr. V.C. Antony
- 4) Vice Adml. K.R. Menon

The first directors other than the Managing Director (who will be ex-officio directors) if any, shall hold office till the First Annual General Meeting of the Company, on which date they will retire but will be eligible for re-appointment.

**Power of Board to add to its number**

(95) The Board shall have power at any time and from time to time to appoint any person as a Director as an addition to the Board but so that the total number of Directors shall not at any time exceed the maximum number fixed by these Articles. Any Director so appointed shall hold office only until the next Annual General Meeting of the Company and shall then be eligible for re-election.

**Share qualification of Directors**

(96) Unless otherwise determined by the Company in General Meeting, a Director shall not be required to hold in his own name or jointly with any other person, whether beneficially or as a trustee or otherwise any share in the capital of the Company as a qualification share but nevertheless a Director shall be entitled to attend and speak at any General Meeting of the Company and at any separate meeting of the holders of any class of shares in the Company.

(97) Each directors other than the Managing Director or Managing Directors, whole time directors shall be paid such sum towards sitting fees as may be decided by the board of directors but not exceeding the amount as may be prescribed by the act or by the Central Government from time to time for attending each meeting of the board of or the committee of the board.

**Remuneration for extra services**

(98) If any Director, being willing, shall be called upon to perform extra services or to make any special exertions in going or residing away from

his normal place of residence for any of the purposes of the Company or in giving special attention to the business of the Company or as a member of a Committee or the Board then subject to Sections 198 319 and 310 of the Act, the Board may remunerate the director, so doing either by a fixed sum and or by a percentage of profits or otherwise and such remuneration may be either in addition to or in substitution for any other remuneration to which he may be entitled.

**Board may at notwithstanding vacancy**

(99) The continuing Directors may act notwithstanding any vacancy in their body but so that if the number falls below the minimum above fixed, the Board shall not except for the purposes of filling vacancies, act so long as the number is below the minimum.

**Vacancies of office of Directors**

(100) The office of a Director shall become vacant if at any time he contravenes any of the provisions of Section 283 of the Act.

**Office of profit**

(101) No director or other person referred to in Section 314 of the Act shall hold an office or place of profit save as permitted by that Section. When Director of this Company appointed Directors of a Company in which the Company is interested either as a member or otherwise.

(102) A Director of the Company may be or become a director of any other company promoted by this Company or in which it may be interested as a member, shareholder or otherwise and no such director shall be accountable for any benefits received as a Director or member of such Company.

(103) Subject to the provisions of Section 297 of the Act, a Director shall not be disqualified from contracting with the Company either as vendor, purchaser or otherwise for goods, materials or services or for underwriting the subscription of any share in or debentures of the Company not shall any such contract or arrangement entered into by or on behalf of the Company with a relative of such director, of a firm in which such Director or relative is a partner or with any other partner in such firm or with a private company of which such Director is a member or director, be avoided nor shall any Director so contacting or being such member or so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding office or of the fiduciary relation thereby established.

**Disclosure of directors interest**

(104) Every Director shall comply with the provision of Section 299 of the Act in regard to disclosure of his concern or interest in any contract or arrangement entered into or to be entered into by the Company.

**Discussion and voting by Director interested**

(105) Save as permitted by Section 300 of the Act or any other applicable provision of the Act no director shall as a Director, take any part in the discussion of or vote on any contract or arrangement in which he is in any way, whether directly or indirectly concerned or interested nor shall his presence count for the purpose of forming a quorum at the time of such discussion or vote.

## APPOINTMENT AND RETIREMENT OF DIRECTORS

### **Proportion to retire by rotation**

(106) All the Directors other than the President or an Additional Director appointed by the Board under Article 109 hereof shall be persons who are liable to retire by rotation. If at any time the total number of Presidents or Managing Directors is more than one-third of the total number of Directors for the period of office is liable to determination by retirement of Directors by time being, such number of the Presidents or Managing Directors shall be reckoned as Directors whose period of office is liable to determination by retirement of Directors by rotation as in necessary to make the number of such persons not less than two-thirds of the total number of Directors for the time being. The President, Managing Director or Mandating Directors to be so reckoned shall be those who have been longest in the office of President or Managing Director since their last appointment and as between persons who became President or Managing Directors on the same day those to be so reckoned shall in default of any subject to any agreement among themselves be determined by lot.

### **(1) Name or title of the firm for**

(107) At each 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.

### **Which directors to retire**

(108) 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 become Directors on the same day those to retire shall in default of and subject to any agreement among themselves, be determined by lot.

### **Power to remove Directors by Ordinary Resolution on special notice**

(109) The Company may remove any director before the expiration of the period of office in accordance with the provisions of Section 284 of the Act, and may subject to the provisions of Sections 262 and 274 of the Act, appoint another person instead.

### **Board may fill up casual vacancies**

(110) If any Director appointed by the Company in General Meeting vacates office as a Director before his term of office will expire in the normal course, the resulting casual vacancy may be filled by the Board at Meeting of the Board, but any person so appointed shall retain his office so long only as the vacating Director would have retained the same if no vacancy had occurred, provided that the Board may not fill such a vacancy by appointing thereto any person who has been removed from the office of Directors under Article 109 thereof.

### **Eligibility of Directors**

(111) A retiring Director shall be eligible for re-election. The eligibility and appointment of a person other than a retiring Director to the office of Director shall be governed by the Provisions of Section 257 of the Act.

### **Power to appoint**

(112) The Board may in accordance with and subject to the provisions of Section 313 of the Act, appoint any person to act as Alternate Director for a Director during the latter's absence from the State in which meetings of the Board are ordinarily held.

### **Nominee Directors**

(112-A) Any trust deed for the securing of any debentures or debenture stock and or any mortgage deed or other bond for securing payment of moneys borrowed by or due by the Company and/or any contract or any agreement made by the Company with any person, firm, body corporate, Financial Institutions, Banks, Government or Authority who may render or agree to render any financial assistance to the Company by way of

Loans advanced or by Guaranteeing of any loan borrowed or other obligations of the Company or by subscription to the Share Capital of the Company to provide assistance in any other manner, may provide for the appointment, from time to time by any such mortgagee, lender, trustee, of or holder of debentures or contracting party as aforesaid of one or more persons to be a Director or Directors of the Company. Such trust deed, mortgage deed, bond or contract may provide that the person appointing a director as aforesaid may from time to time remove any director so appointed by him and appoint any other person in his place and provide for filling up of any casual vacancy created by such person vacating office as such Director. Such Power shall determine and terminate on the discharge or repayment of the respective mortgage, loan or debt or debenture or on the termination of such contract and any person so appointed as director under mortgage or bond or debenture trust deed or under such contract shall cease to hold office as such director on the discharge of the same.

The Director or Directors so appointed shall not be liable to retire by rotation or to be removed from Office by the Company.

## **PROCEEDINGS OF DIRECTORS**

### **Meetings of Directors**

(113) The Board shall meet at least once in every three months for the dispatch of business and may adjourn and otherwise regulate its meetings and proceedings as it thinks fit, provided that at least four such meetings shall be held every year.

Notice in writing of every meeting of the Board specifying the nature of all business proposed to be considered there at shall be given to every director for the time being in India, to every other directors at his usual address in India.

### **Director may summon meeting**

(114) Subject to due notice, a Director may at any time and the Manager or Secretary shall upon the request of a Director made at any time, convene a meeting of the Board.

### **Chairman**

(115) The Board may appoint a Chairman of its Meetings and determine the period for which he is to hold office. If no such Chairman is appointed or if at any meeting of the Board the Chairman is not present within five minutes after the time appointed for holding the same, the directors present shall choose some one of their member to be Chairman of such meeting.

### **Quorum**

(116) The quorum for a meeting of the Board shall be determined from time to time in accordance with the provisions of Section 287 of the Act. If a quorum shall not be present within fifteen minutes from the time appointed for holding a meeting of the Board, it shall be adjourned until such date and time as the Chairman of the Board shall appoint.

### **Powers of quorum**

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



*How questions to be decided*

(118) Subject to the provisions of Sections 316, 373(5) and 386 of the Act, questions arising at any meeting shall be decided by a majority of the votes and in case of an equality of votes, the Chairman shall have a second or casting vote.

*Power to appoint Committee and to delegate*

(119) The Board may subject to the provisions of the Act, from time to time and any time, delegate any of its powers to a Committee consisting of such Director or Directors as it thinks fit, and may from time to time revoke such delegation. Any Committee so formed shall in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed upon it by the Board.

*Proceedings of Committee*

(120) The meeting and proceedings of any such Committee consisting of two more members shall be governed by the provisions herein contained for regulating the meeting and proceedings of the Board so far as the same are applicable thereto, and not superseded by any regulations made by the Board under the last proceeding.

*When acts of a Director valid notwithstanding defective appointment etc*

(121) Acts done by a person as a Director shall be valid, notwithstanding that it may afterwards be discovered that his appointment was invalid by reason of any defect or disqualification or had terminated by virtue of any provisions contained in the Act or in these Articles. Provided that nothing in this article shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.

*Resolution without Board Meeting*

(122) Save in those cases where a resolution is required by Sections 262, 292, 297, 316, 372(5) and 386 of the Act to be passed at a meeting of the Board, a regulation shall be as valid and effectual as if it as been passed at a meeting of the Board or committee of the Board, as the case may be, duly called and constituted, if a draft thereof in writing is circulated together with the necessary papers, if any, to all the Directors or to all the members of the committee of the Board, as the case may, then in India (not being less in number than the quorum fixed for a meeting of the Board or Committee, as the case may be) and to all other Directors or members of the Committee at their usual addresses in India and has been approved by such of them as are then in India or by a majority of such of them as are entitled to vote on the resolution.

**MINUTES**

*Minutes to be made.*

(123) (1) The Board shall in accordance with the provisions of Section 193 of the Act, cause Minutes to be kept of every General Meeting every meeting of the Board and of every Committee of the Board.

(2) Any such Minutes of any meeting of the Board or of any Committee of the Board or of the Company in General Meeting if kept in accordance with the provisions of Section 193 of the Act, shall be evidence of the matters stated in such Minutes. The Minutes Book of General Meetings of the Company shall be kept at the office and shall be open to inspection by members during normal business hours on such business days as the Act requires them to be open for inspection.

## POWERS OF THE BOARD

### *General Powers of Company vested in the Board*

(124) Subject to the provisions of the Act, the management and control of the Company shall be vested in the Board who 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 by any other statute or by the Memorandum of the Company or by 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 in that behalf contained in the Act or any other statute or in the Memorandum of the Company or in these Articles or in any regulations not inconsistent therewith and duly made thereunder including regulations made by the Company in General Meeting but no regulations 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.

## LOCAL MANAGEMENT

### *Local Management*

(125) The Board may, subject to the provisions of the Act, make such arrangements as it may think fit for management of the Company's affairs abroad and for this purpose appoint local Boards, attorneys and agents and fix their remuneration and delegate to them such powers as the Board may deem requisite or expedient.

The Company may exercise all the powers of Section 50 of the Act and the official Seal shall be affixed by the authority and in the presence of and the instrument sealed therewith shall be signed by such persons as the Board shall from time to time by writing under the Seal appoint. The Company may also exercise the powers of Sections 157 and 158 of the Act with reference to the keeping of Foreign Registers.

## AUTHENTICATION OF DOCUMENTS

### *Power to authenticate document*

(126) Save as otherwise provided in the Act any Director or the Secretary or any person appointed by the Board for the purpose shall have power to authenticate any document affecting the constitution of the Company and any resolutions passed by the Company and to certify copies thereof or extracts therefrom as true copies or extracts, and where any books, records, documents or accounts are elsewhere than at the office, the local Manager or other officer of the Company having the custody thereof shall be deemed to be a person appointed by the Board as aforesaid.

(127) A document purporting to be a copy of a resolution of the Board or an extract from the Minutes of a meeting of the Board which is certified as such in accordance with the provisions of the last preceding Article shall be conclusive evidence in favour of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed or as the case may be that such extract is a true and accurate record of a duly constituted meeting of the Board.

## MANAGING DIRECTORS

**Power to appoint Managing Director** (128) Subject to the provision of Sections 267, 269, 316 and 317 of the Act, the Board may, from time to time, appoint one or more directors to be Managing Director or Managing Directors of the Company either for a fixed term or without any limitations as to the period for which he or they is or are to hold such office and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them office and appoint another or others in his or their place or places.

**To what provisions Managing Director shall be subject** (129) A Managing Director shall (subject to the provisions of any contract between him and the Company) be subject to the same provisions as to resignation and removal as the other Directors, and shall, *ipso facto* and immediately cease to be a Managing Directors if he ceased to hold the office of Director from any cause except where he ceased to hold office or retires by rotation at an Annual General Meeting and is re-appointment or elected a Director at that meeting .

**Remuneration of Managing Director** (130) Subject to the provisions of Sections 309, 310 and 311 of the Act a Managing Director shall, in addition to the remuneration payable to him as a Director of the Company, under these Articles, receive such additional remuneration as may from time to time be sanctioned by the Company.

**Powers of Managing Directors** (131) Subject to the Provision of the Act in particular to the prohibitions and restrictions contained in Section 292 thereof, the Board may from time to time entrust to and confer upon a Managing Director for the time being such of the power exercisable under these presents by the Directors as it may think fit, and may confer such powers for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions as it thinks fit and it may confer such powers, either collaterally with or to the exclusion of, and in substitution for all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any of such Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any of such powers.

**Whole-time Directors** (a) Subject to the provision of the Act, the Board of Directors may from time to time appoint one or more their body to the office, of the whole-time Director with such designation as they may deem fit for such period and on such terms as the Board may think fit and subject to the terms of any Agreement entered into with him may revoke such appointment.

**Remuneration to Whole-time Director** (b) The Whole-time Director shall be paid such remuneration per mensem including a specified percentage on the net profit, if any, and with such other benefits or perquisites as may be agreed upon by the Company subject to the provision of the Act and approval of the Central Government as required under law.

**Power of the Whole-time Director** (c) The Board may entrust and confer upon a Whole-time Director any of the powers of the management which would not be otherwise exercisable by him upon such terms and conditions and with such restrictions as the Board may think fit, subject always to the superintendence, control and directions of the Board and the Board may from time to time revoke, withdraw, alter or vary all or any of such powers.

## THE SECRETARY

**Secretary** (132) The Directors may from time to time appoint and at their discretion remove any individual (hereinafter called "the Secretary") to perform any functions, which by the Act or to be performed by the Secretary, and to execute any other purely ministerial or administrative duties, which may from time to time be assigned to the Secretary by the Directors. The Directors may also at any time appoint some person (who need not be the Secretary) to keep the registers required to be kept by the Company.

## THE SEAL

**Custody of seal** (133) The Board shall provide for the safe custody of the Seal and the Seal shall not be used except by the authority previously given of the Board or a Committee of the Board authorised by the Board in that behalf and save as provided in Article 17 (1) hereof, any two Directors or any director and the Secretary or any Director as the Board may appoint shall sign every instrument to which the Seal is affixed. Provided nevertheless that any instrument bearing the Seal of the Company and issued for valuable consideration shall be binding on the Company notwithstanding any irregularity touching the authority of the Board to issue the same.

## RESERVES

**Reserves** (134) The Board may from time to time before recommending any dividend set apart any such portion of the profits of the Company as it thinks fit as reserves to meet contingencies or for the liquidation of any debentures, debts or other liabilities of the Company, for equalization of dividends, for repairing, improving or maintaining any of the property of the Company and for such other purposes of the Company as the Board in its absolute discretion thinks conducive to the interest of the Company and may subject to the provisions of Sections 372A of the Act, as amended from time to time invest the several sums so set aside upon such investment (other than shares of the Company) as it may think fit and from time to time deal with and vary such investments and dispose of all or any part thereof for the benefit of the Company, and may divide the Reserves into such special funds as it thinks fit, with full power to employ the Reserves or any part thereof in the business of the Company and without being bound to keep the same separate from the other assets.

**Investments of moneys** (135) All moneys carried to the Reserves shall nevertheless remain and be profits of the Company applicable, subject to due provision so being made for actual loss or depreciation for the payment of dividends and such moneys and all the other moneys of the Company not immediately required for the purposes of the Company may subject to the provisions of Section 372A of the Act, as amended from time to time, be placed on loan or invested by the Board in or upon such investments or securities as it may select or may be used as working capital or may be kept at any Bank on deposit or otherwise as the Board may, from time to time think proper.

### *Capitalisation of Reserves*

(136) Any General Meeting may resolve that any moneys investments other assets forming part of the undivided profits of the Company standing to the credit of the Reserves, or any Capital Redemption Reserve Account, or in the hands of the Company and available for dividends or representing premium received on the issue of shares and standing to the credit of the Share Premium Account be capitalized and distributed amongst such of the shareholder as would be entitled to receive the same if distributed by way of dividend and the same proportion on the footing that they become entitled thereto as capital and that all or any part of such capitalised fund be applied on behalf of such share-holders in paying up in full any un issued shares of the Company which shall be distributed accordingly or in or towards payment of the uncalled liability on any issued shares and that such distribution or payment shall be accepted by such shareholder in full satisfaction of their interest in the said capitalised sum.

### *Distribution of Capital Profits*

(137) The Company in General Meeting may at any time and from time to time resolve that any surplus moneys in the hands of the Company representing capital profits arising from the receipt of moneys received or recovered in respect of or arising from the realisation of any capital assets of the Company or investment representing the same instead of being applied in the purchase of other capital assets or for other capital purposes be distributed amongst the Equity shareholders paid on the footing that they receive the same as capital and in the shares and proportions in which they would have been entitled to receive the same if it had been distributed by way of dividend, provided always that no such profit as aforesaid shall be so distributed unless there shall remain in the hands of the Company a sufficiency of other assets to meet in full the whole of the liabilities and paid up share capital of the Company for the time being.

### *Fractional Certificate*

(138) For the purposes of giving effect to any resolution under the two last preceding Articles, the Board may settle any difficulty which may arise in required to the distribution as it thinks expedient and in particular may issue fractional certificates, and may fix the value for distribution of any specific assets, and may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties and may vest such cash or specific assets in trustees upon such trusts for the persons entitled to the dividend or capitalised sum as may seem expedient to the Board. Where required a proper contract shall be field in accordance with Section 75 of the Act, and the Board may appoint any person to sign such contract on behalf of the persons entitled to the dividend or capitalised sum and such appointment shall be effective.

## **DIVIDENDS**

### *How profits shall be divisible*

(139) Subject to the rights of members entitled to shares (if any) with preferential or special rights attached thereto, the profits of the Company which it shall from time to time be determined to divide in respect of any year or other period shall be applied in the payment of a dividend on the Equity Shares of the Company but so that at partly paid up share shall only entitle the holder with respect thereof to such a proportion of the distribution upon a fully paid up share as the amount paid thereon bears to the nominal amount of such share and so that when capital is paid up in advance of calls upon the footing that the same shall carry interest, such capital shall not rank for dividends or confer a right to participate in profits.

- Declaration of dividends** (140) The Company in General Meeting may declare a dividend to be paid to the members according to their rights and interest in the profits and may subject to the provisions of Section 207 of the Act fix the time for payment.
- Restriction on amount of dividend** (141) No larger dividend shall be declared than is recommended by the Board, but the Company in General Meeting may declare a smaller dividend.
- Dividend** (142) Subject to the provisions of Section 205 of the Act, no dividend shall be payable except out of the profit of the Company or out of moneys provided by the Central or a State Government for the payment of the dividend in pursuance of any guarantee given by such Government and no dividend shall carry interest against the Company. No unclaimed dividends shall be forfeited by the Board and the Company shall comply with the provisions of Section 205 (A) of the Companies Act in respect of such dividends.
- What to be deemed net profits** (143) The declaration of the Board as to the amount of the net profits of the Company shall be conclusive.
- Interim dividend** (144) The Board may, from time to time pay to the member such interim dividend as appear to the Board to be justified by the profits of the Company.
- Debts may be deducted** (145) The Board may deduct from any dividend payable to any member all sums of money if any presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.
- Dividend and call together** (146) Any General Meeting declaring a dividend may make a call on the members of such amount as the meeting fixes, but so that the call shall be made payable at the same time as the dividend and the dividend may be set off against the call.
- Dividend in cash** (147) No dividend shall be payable except in cash. Provided that nothing in the foregoing shall be deemed to prohibit the capitalisation of profits or reserves of the Company for the purpose of issuing fully paid up bonus share or paying up any amount for the time being unpaid on the shares held by the members of the Company.
- Effect of Transfer** (148) A transfer of shares shall not pass the rights to any dividend declared thereon before the registration of the transfer by the Company.
- Payment of interest on capital** (149) The Company may pay interest on Capital raised for the construction of works or buildings when and so far as it shall be authorised to do by Section 208 of the Act.
- To whom dividends payable** (150) No dividend shall be paid in respect of any share except to the registered holder of such share or to his order or to his bankers but nothing contained in this Article shall be deemed to require the bankers of a registered shareholder to make a separate application to the Company for the payment of the dividend. Nothing in this Article shall be deemed to affect in any manner the operation of Article 153 hereof.
- Dividends to Joint-holders** (151) Any of the several persons who are registered as the joint holders of any share may give effectual receipts for all dividends, bonuses and other payments in respect of such shares.

**Notice of dividends** (152) Notwithstanding anything interim or otherwise, shall be given to the persons entitled to share therein in the manner hereinafter provided.

**Payment by Post** (153) Unless otherwise directed in accordance with Section 206 of the Act any dividend, interest or other moneys payable in cash in respect of a share may be paid by cheque or warrant sent through the post to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is the first named in their Register in respect of the joint holding or to such person and such address as the holder or joint holders as the case may be, may direct, and every cheque or warrant so sent shall be made payable to the order of the person to whom it is sent. The Company shall not be liable for any cheque or warrant lost in transmission or for any dividend lost to any members by the forged endorsement of any such cheque or warrant.

**Unpaid dividend to be transferred to special dividend account** (154) (1) If the Company has declared a dividend but which has not been paid or warrant in respect thereof has not been posted within 42 days from the date of the declaration, to any shareholder entitled to the payment of the dividend, the Company shall within 7 days from the date of expiry of the said period of 42 days open a special account in that behalf in any scheduled bank called the Unpaid Dividend Account.

(2) Any money transferred to the unpaid dividend account of the Company which remain unpaid or unclaimed for a period of three years from the date of such transfer, shall be transferred to the General Revenue Account of the Central Government. A claim to any money so transferred to the General Revenue Account may be preferred to the Central Government by the shareholders to whom the money is due.

#### **BOOKS AND DOCUMENTS**

**Books of account to be kept** (155) The Board shall cause proper books of account to be kept in accordance with Section 209 of the Act.

**Where to be kept** (156) The books of account shall be kept at the registered office or at such other place in India as Board may decide and when the Board so decides, the Company shall, within seven days of the decision, file with the Register a notice in writing giving the full address of that other place.

**Inspection** (157) (1) The books of account shall be open to inspection by any Director during business hours.

(2) The Board shall, from time to time, determine whether and to what extent, and at what times and places, and under what conditions or regulations, the books of account and books documents of the company other than those referred to in Article 123 (2) hereof shall be open to the inspection of the member not being Directors and no member (not being a Director) shall have any right of inspecting any books of account or books or documents of the Company except as conferred by law or authorised by the Board or by the Company in General Meeting.

#### **BALANCE SHEET AND ACCOUNT**

**Balance sheet and Profits and Loss** (158) At every Annual General Meeting the Board shall lay before the Company as Balance Sheet and Profit and Loss Account made up in accordance with the provisions of Section 210 of the Act and such Balance Sheet and Profit and Loss accounts shall comply with the requirements of sections 210, 211, 212, 215 and 216 and of Schedule VI to the Act so far as they are applicable to the Company but save as

aforesaid, the Board shall not be bound to disclose create details of the result or extent of the trading and transactions of the Company that it may deem expedient.

**Account Annual Report of Directors** (159) There shall be attached to every Balance Sheet laid before the Company in General Meeting a report by the Board complying with Section 217 of the Act.

(160) A copy of the Balance sheet (including the profit and loss account, the auditor's report and every other document required by law to be annexed or attached to the balance sheet or the salient features of such documents, or such other documents as may be prescribed, shall be sent to, and also be available for inspection by the members of the company and other persons entitled, as required by law.

**Copies of Balance Sheet etc. to be filed** (161) The Company shall comply with Section 220 of the Act and filing with the Registrar copies of the Balance Sheet and Profit and Loss Account and documents required to be annexed or attached thereto.

**When accounts to be deemed finally settled** (162) Every balance sheet and profit and loss account of the company when audited and adopted by the Company in General Meeting shall be conclusive.

#### AUDITORS

**Accounts to be audited annually** (163) Once atleast every year the books of account of the Company shall be examined by one or more Auditor or Auditors.

(164) Auditors shall be appointed and their rights and duties regulated in accordance with Sections 224 to 233 of the Act.

#### DOCUMENTS AND NOTICES

**Service of documents of notices of Members by Company** (165) (1) A document or notice may be served or given by the Company on any Member either personally or by sending it by post to him to his address, if any, in India supplied by him to the Company for serving documents or notices on him.

(2) Where a document or notice is sent by post, service of the documents or notice shall be deemed to be effected by properly addressing / prepaying and posting a letter containing the documents or notice, provided that Where a member has intimated to the Company in advance that documents or notices 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 of sufficient to defray the expenses of doing so; service of the document or notice shall not be deemed to be effected in the case of a Notice of a meeting, at the expiration of forty-eight hours after the letter containing the document or notice is posted and in any other case, at the time of which the letter would be delivered in the ordinary course of post.

**By advertisement** (166) A document or notice advertised in a newspaper circulating in the neighbourhood of the office shall be deemed to be duly served or sent on the day on which the advertisement appears on or to every member who has no registered address in India and has not supplied to the Company an address within India for the serving of documents on or the sending or notice to him.



*On joint holder*

(167) A document or notice may be served or given by the Company on or to the joint-holders of a share by serving or giving the documents or notice on or to the joint-holders named first in the Register of members in respect of the share.

*On personal representatives etc.*

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

*To whom documents or notice must be served or given.*

(169) Documents or notices of every General Meeting shall be served or given in some manner here in before authorised on or to (a) every member (b) every person entitled to a share in consequence of the death or insolvency of a member and (c) the Auditor or Auditors for the time being of the company.

*Members bound by documents or notices served on or given to previous holders*

(170) Every person who by operation of law, transfer or other means whatsoever, shall become entitled to any share be bound to every document or notice in respect of the such share, which previously to his name and address being entered on the Register of members, shall have been duly served on or given to the person from whom he derives his title to such shares.

*Documents or notice by Company and signature thereto*

(171) Any document or notice to be served or given by the Company may be signed by a Director to some person duly authorised by the Board of Directors for such purpose and the signature thereto may be written, printed or lithographed.

*Service to document or notice by member*

(172) All documents or notices to be served or given by Members on or to the Company or any officer thereof shall be served or given by sending it to the Company or officer at the office by post under a certificate of posting by registered post or by leaving it at the office.

**RECONSTRUCTION**

*Reconstruction*

(173) On any sale of the undertaking of the Company, the Board or the Liquidators on a winding up may, if authorised by a Special Resolution, accept fully paid or partly paid up shares, debentures or securities of any other Company, whether incorporated in India or not, either then existing or to be formed for the purchase in whole or impart of the property of the company, and the Board (if the profits of the Company permit) or the Liquidators (in a winding up) may distribute such shares or securities, or any other property of the Company amongst the members without realisation, or vest the same in trustees for them, and any special Resolution, may provide for the distribution or appropriation of the cash, shares or other securities, benefit or property, otherwise than in accordance with the strict legal rights of the members or contributories of the Company, and for the valuation of any such securities or property at such price and in such manner as the meeting may approve and all holders of shares, shall be bound to accept and shall be bound by any valuation or distribution so authorised and waive all rights in relation thereto, save only in case the Company is proposed to be or is in the course of being wound up, such statutory rights (if any) under Section 494 of the Act as are incapable of being varied or excluded by these Articles.

## SECRECY

### **Secrecy**

(174) Every director, Manager, Secretary, Trustee for the Company, its members or debentures holders, member of a committee officer, servant, agent, accountant or other person employed in or about the business of the Company shall, if so required by the Board or by the Managing Director before entering upon his duties sign a declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the Board or by any General Meeting or by a Court of law and except so far as may be necessary in order to comply with any of the provisions in these Articles contained.

### **No member to enter the premises of the company without permission**

(175) No member or other person (not being a director) shall be entitled to enter upon the property of the Company or to inspect or examine the premises or properties of the company without the permission of the Board or of the Managing Director or subject to Article 162 hereof to require discovery of or any information respecting any detail of the trading of the company or any matter which is or may be in the nature of a trade secret, mystery of trade, or secret process, or of any matter whatsoever which may relate to the conduct of the business of the company and which in the opinion of the Board or Managing Director it will be inexpedient in the interest of the Company to communicate.

## WINDING UP

### **Distribution of assets**

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

But this Article is to be without prejudice to the rights of holders of shares issue upon special terms and conditions.

### **Distribution of assets in specific**

(177) If the company shall be wound up whether voluntarily or otherwise the Liquidators may with the sanction of a special resolution, divide among the contributories, in specific or kind, any part of the assets of the company and may, with the like sanction, vest any part of the assets of the Company in Trustees upon such Trusts for the benefits of the contributories or any of them as the Liquidators, with the like sanction, shall think fit."

## INDEMNITY

### **Indemnity**

(178) Every Director, Managing Director, Manager, Secretary or Officer of the Company or any person (whether an officer of the Company or not) employed by the company and any person appointed auditor shall be indemnified out of the funds of company against all liability incurred by him as such Director, Managing Director Manager, Secretary, Officer, Employee or Auditor in defending any proceedings, whether civil or criminal, in which judgement is given in his favour, or in which he is acquitted, or in connection with any applications under Section 633 of the Act in which relief is granted to him by the Court.

Sl. No.	Names, addresses, occupation and descriptions of the subscribers	Signature
1.	Mr. M.A. Abraham S/o. Late M. Abraham 4, Lakshmi Street, Madras - 600 010 Business	(Signed) M.A. Abraham
2.	Vice Admiral K.R. Menon (Rtd.) S/o. Late K.P. Kumaran Naig 227, Defence Colony Nandanambakkam Madras - 600 097. Company Executive	(Signed) K.R. Menon
3.	Mr. P. Venkateswaran S/o. Sri. V. Parasurama Iyer No. 6, Dr. Radhakrishna Nagar Main Road Madras - 600 041. Company Executive	(Signed) P. Venkateswaran
4.	Mr. S.R. Ramachandran S/o. Late Sri. S.S. Ramakrishna Iyer J-1, H16 Flats, Kotturpuram Madras - 600 085. Company Executive	(Signed) S.R. Ramachandran
5.	Mr. S. Pichai Pillai S/o. R. Subramania Pillai P-4, Turnbolls Road, II Cross Street Nandanam, Madras - 600 035. Service	(Signed) S. Pichai Pillai
6.	Mr. N.V. Purandiran S/o. Late N. Vasudeva Pillai 7A, Kammalar Street Tiruttani - 631 209. Service.	(Signed) N.V. Purandiran
7.	Mr. N.P. Kumar S/o. Late P.S. Narayanan 246/B-13 Housing Colony VII Avenue, Ashok Nagar Madras - 600 083. Service.	(Signed) N.P. Kumar

Dated at Madras this the 12<sup>th</sup> day of September, 1986.  
Witness to the above Signatories at Madras, (Signed)

Mr. Arun Oommen  
S/o. Mr. K.C. Oommen  
35-B, Shanthi Colony  
Anna Nagar, Madras - 600 040.

IN THE HIGH COURT OF JUDICATURE AT MADRAS  
(ORIGINAL JURISDICTION)

Monday, the 2nd day of December, 2001

The Hon'ble Mr. Justice E. PADMANABHAN.

Company Petition NO. 233 of 2001

In the matter of Companies Act I of 1956

And

In the matter of Scheme of Amalgamation - OF

M/s. Nitech Drilling Services India Limited,  
Mumbai (Transferor Company)

with

M/s. Aban Loyd Chile Offshore Limited  
(Transferee company)

M/s. Aban Loyd Chile Offshore  
Limited, No. 113, Pantheon Road,  
Egmore, Chennai - 600 008  
rep. by its Director  
Mr. C.P. Gopalakrishnan.

... Petitioner/Transferee  
Company.

This Company Petition praying this Court  
to ~~pass an order (a)~~ <sup>that the</sup> Scheme of Amalgamation between  
M/s. Nitech Drilling Services India Limited, Mumbai  
and M/s. Aban Loyd Chile Offshore Limited with  
effect from 1st April, 2001 be sanctioned by this  
Court so as to be binding on all the Equity  
Shareholders and Creditors of the said Company  
and on the said company with effect from 1st  
April, 2001; ~~and~~

28-11-2001

This Company Petition coming on this day,  
before this Court for hearing in the presence of  
Mr. T.K. Bhaskar, Advocate for the petitioner in

the Company Petition No.223 of 2001 and Mr. N.V.Arunan, Addl. Central Government Standing Counsel appearing for the Regional Director, Department of Company Affairs and upon reading the order dated 9.8.2001 and made in Company Application No.877 of 2001 whereby the said Company viz., Aban Loyd Chile Offshore Limited the petitioner/transferee company in Company petition No.223 of 2001 herein was directed to convene a meeting of the shareholders of the above named company for the purpose of considering and if thought fit approving with or without modification the proposed scheme of amalgamation of the applicant Company with Hitech Drilling Services India Limited, Transferor Company having registered office at 8/9, Vikas Centre, A.V.Road, Santacruz (W) Mumbai - 400 056, transferor company and the advertisement having been made in one issue of 'New Indian Express' dated 21.8.2001 and 'Makkal Kural' dated 20.8.2001 each containing the advertisement of the said meeting and the report of the Chairman of the said meeting as to the result of the meeting and it is appearing from the said report that the scheme of Amalgamation has been approved Unanimously, and the Company Petition No.223 of 2001 filed herein and publication

In our issue of New Indian Express on dt. 8.10.2001 and in another issue of 'Mumbai Mirror' dated 7.10.2001 and that the Central Government having no obligation for the approval of the scheme of amalgamation, <sup>with subject to the</sup> ~~statutes provision~~ that the approval of the High Court of Bombay also be obtained apart from this High Court, <sup>and having</sup> filed their affidavit before this Court on 23.11.2001 <sup>having sent for consideration of this Court</sup> and this Court do hereby sanction the Scheme of Amalgamation as set out in the Schedule hereunder with effect from 1.4.2001 so as to be binding on all the equity shareholders and creditors of the petitioner company and on the said company with effect from 1.4.2001, but subject to the scheme of amalgamation being sanctioned by the High Court of Judicature at Bombay on the application moved by the transferee company, <sup>and</sup> further order as follows:

1. That the petitioner companies herein do file with the Registrar of Companies, Chennai, a certified copy of the order within 30 days from <sup>the</sup> the date,

2. That the parties to the scheme of amalgamation or other person interested shall be at liberty to apply to this Court for any directions that ~~may~~ <sup>may</sup> be necessary in regard to carrying out of

1955, 07, 23, in the matter of the petition for writ of habeas corpus filed by the petitioner herein, and

It is the order of the Court that the petitioner / transferor company herein, be and is hereby directed to pay Rs. 23,500/- (Rupees Three thousand five hundred only) towards fees to the Mr. M. T. Arunachalam, Additional Central Government Standing Counsel, for opposing and assisting this Court, within three weeks from the date of communication of this order.

S. CHANDRASEKHAR

SCHEME OF SIGNATURES.

It is the order of the Court that the petitioner / transferor company herein, be and is hereby directed to pay Rs. 23,500/- (Rupees Three thousand five hundred only) towards fees to the Mr. M. T. Arunachalam, Additional Central Government Standing Counsel, for opposing and assisting this Court, within three weeks from the date of communication of this order.

**SCHEME OF AMALGAMATION  
OF  
M/s. HITECH DRILLING SERVICES INDIA LIMITED  
WITH  
M/s. ABAN LOYD CHILES OFFSHORE LTD.  
PART - I**

**DEFINITION**

In this Scheme, unless inconsistent with the subject or context, the following expressions shall have the following meanings.

**1. TRANSFEROR COMPANY**

"The Transferor Company" or "HDSIL" means Hitech Drilling Services India Limited, a company registered under the Companies Act, 1956, having its registered office at 89, Vikas Centre, S.V.Road, Santacruz (W), Mumbai 400 054, (hereinafter called transferor Company or "HDSIL")

**2. TRANSFEREE COMPANY**

"The Transferee Company" or "ALCOL" means Aban Loyd Chiles Offshore Ltd., a company registered under the Companies Act, 1956, having its registered office at "Janapya Crest" 13, Pantheon Road, Egmore, Chennai 600 008 (hereinafter called "The Transferee Company" or "ALCOL")

**3. THE ACT**

"The Act" means the Companies Act, 1956 (1 of 1956) including any statutory modifications or re-enactments thereof for the time being in force.

**4. APPOINTED DATE**

"The Appointed Date" means the date of commencement of business on 1<sup>st</sup> April 2001.

**5. EFFECTIVE DATE**

"The Effective Date" means the last of the following dates, namely (a) date on which certified copies of the orders of the High Court of Judicature at Madras and the High Court of Judicature at Mumbai under Sections 391 and 394 of the Companies Act, 1956 are filed with the Registrar of Companies and (b) date on which the last of all such consents, approvals, permissions, resolutions, agreements, sanctions and orders necessary thereto have been obtained or passed.

**6. RECORD DATE**

"RECORD DATE" means the date to be fixed by the Board of Directors or a Committee thereof of the TRANSFEROR COMPANY for the purpose of determining the members of the TRANSFEROR COMPANY to whom shares will be allotted pursuant to this Scheme.

**7. SCHEME**

"The Scheme" means the Scheme of Amalgamation in its present form or with any modification(s) approved, imposed, or directed by the High Court of Judicature at Madras and the High Court of Judicature at Mumbai.

**PART - II**

**THE SCHEME**

**1. TRANSFER OF UNDERTAKING**

1. With effect from the "Appointed Date" and subject to the provisions of this Scheme in relation to the mode of transfer and vesting the undertaking and the entire businesses and all the movable and immovable properties, real or personal, corporeal or incorporeal, including fixed assets, capital assets, capital work-in-progress, current assets, investments of all kinds, lease and hire purchase contracts, lending contracts, benefits of any security arrangements, reversions, powers, authorities, allotments, approvals, consents, licenses including engagements, arrangements, rights, title, interest, quotas, benefits and advantages of whatsoever nature and wheresoever situated, belonging to or in the ownership, power or possession and/or in the control of or vested in or granted in favour of and enjoyed by the Transferor Company including all patents, trademarks, copyrights, trade names and



other intellectual property rights of any nature whatsoever and licenses in respect thereof, privileges, liberties, easements, advantages, exemptions, benefits, leases, leasehold rights, tenancy rights, ownership flats, profits, rights, permits, approvals, authorisations, right to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity, power lines, communication lines and other services, reserves, deposits, provisions, funds, benefit of all agreements, subsidies, grants, tax credits, Income tax, sales tax, turnover tax, excise, customs and all other interests arising of the Transferor Company and any accretions or additions thereto after the "Appointed Date" (hereinafter collectively referred to as the "the said assets") shall be transferred to and vested in and / or deemed to be transferred to and vested in the Transferee Company, without any further act or deed or instrument, pursuant to the provisions of Section 394 of the said Act for all the estate, assets, right, title and interest of the Transferor Company herein, so as to become as and from the "Appointed Date", the estate, assets, rights, title and interests of the Transferee Company.

- 1.2. The Scheme, as aforesaid, shall be, subject to existing charges/hypothecation/mortgage (if any as may be subsisting) over or in respect of the said assets or any part thereof in favour of Banks and Financial Institutions (such as ICICI and UTI BANK), provided, however that any reference in any security documents or arrangements to which the Transferor Company is a party, to such assets of the Transferor Company offered or agreed to be offered as security for any financial assistance both availed and to be availed upto any limit for which sanctions have already been obtained by the Transferee Company by virtue of the sub-clause 1.1 hereof, to the end and intent that such security, mortgage and/or charge shall not extend or be deemed to extend, to any of the assets or to any of the other units or divisions of the Transferee Company, unless specially agreed to by the Transferee Company with such secured creditors and subject to the consents and approvals of the existing secured creditors of the Transferee Company.
- 1.3. In respect of the floating charges created by the Transferor Company in favour of their bankers for all the movable assets, documents of title to goods, receivables, claims and other current assets that are acquired by the Transferor Company from the "Appointed Date" till the "Effective Date", shall be deemed to be the security and shall be available as security for the loans, cash credit and other working capital facilities, both fund based and non-fund based, which were sanctioned by the bankers of the Transferor Company either utilised fully or partly or unutilised by the Transferor Company subject to the limits sanctioned by their respective bankers.
- 1.4. It is expressly provided that in respect of such of the said assets as are movable in nature or are otherwise capable of transfer by manual or constructive delivery and/or by endorsement and delivery, the same shall be so transferred by the Transferor Company and shall become the property of the Transferee Company in pursuance of the provisions of Section 391 and 394 of the said Act, as an integral part of the undertaking, such transfer being deemed to have taken place at the location of the Registered Office of the Transferee Company, i.e., in the State of Tamil Nadu.
- 1.5. In respect of the said assets other than those referred to in sub-clause referred to above, the same shall as more particularly provided in sub-clause 1.1 hereof, without any further act, instrument or deed, be transferred to and vested in and/or deemed to be transferred and vested in the Transferee Company on the "Appointed Date", pursuant to the provisions of Section 391 and 394 of the said Act. The vesting of all such assets, shall by virtue of the provisions of this Scheme, the effect of the provisions of this Scheme, and the effect of the provisions of Section 391 and 394 of the said Act, be deemed to have taken place at the location of the Registered Office of the Transferee Company, i.e., in the State of Tamil Nadu.
- 1.6. The Transferee Company, may at any time, after the coming into the effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds of confirmation in favour of the secured creditors of the Transferor Company or in favour of any other party to any contract or arrangement to which the Transferor Company is a party or any writings, as may be necessary, to be executed in order to give full effect to the above provisions. The Transferee Company shall under provisions of the Scheme be deemed to be authorised to execute any such writings on behalf of the Transferor Company implement or carry out all such formalities or compliance referred to above on the part of the Transferor Company to be carried out or performed.

## 2. SHARE CAPITAL

- 2.1 The Authorised share capital of "HDSIL" is Rs.30,00,00,000 (Rupees Thirty crores only) divided into 3,00,00,000 (Three Crores only) Equity Shares of Rs.10/- (Rupees Ten only) each. The present Issued and Subscribed, capital of HDSIL is Rs.20,35,67,500/- (Rupees Twenty Crores thirty five lakhs sixty seven thousand five hundred only) divided into 2,03,56,750 (Two crores three lakhs fifty six thousand seven hundred fifty) equity shares of

Rs. 10/- (Rupees Ten only) each. The paid up share capital of the company is Rs.20,33,62,010 (Rupees Twenty crores thirty three lakhs sixty two thousand and ten only) comprising of 2,03,15,652 (Two crores three lakhs fifteen thousand six hundred and fifty two only) Fully Paid Up Equity Shares of Rs. 10/- (Rupees ten only) each and 41,098 (Forty one thousand ninety eight) Equity Shares that are partly paid to the extent of Rs.5/- (Rupees five only) each.

2.2. The Authorized share capital of "ALCOL" is Rs.200,00,00,000/- (Rupees Two hundred crores only) divided into 18,00,00,000 (Eighteen crores) Equity Shares of Rs.10/- (Rupees ten only) each amounting to Rs. 180,00,00,000/- (Rupees one hundred and eighty crores only) and Rs.20,00,00,000/- (Rupees twenty crores only) divided into 2,00,00,000 (Two crores) Cumulative Redeemable Preference Shares of Rs.10/- (Rupees ten only) each. The present Issued, Subscribed and Paid Up capital of "ALCOL" is Rs.6,27,87,600/- (Rupees six crores twenty seven lakhs eighty seven thousand six hundred only) divided into 62,78,760 (Sixty two lakhs seventy eight thousand seven hundred sixty) equity shares of Rs.10/- each.

### 3. TRANSFER OF DEBTS AND LIABILITIES

3.1. With effect from the said "Appointed Date", all debts, liabilities, duties and obligations of the Transferor Company including debentures and contingent liabilities not provided in their books (hereinafter referred to as "the said liabilities") and any accretions and additions or decrections thereto after the "Appointed Date" shall also stand transferred or deemed to be transferred without any further act or instrument or deed to the Transferee Company so as to become as and from that date, the debts, liabilities, duties and obligations of the Transferee Company and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to effect to the provisions of this clause, PROVIDED ALWAYS that nothing in this clause shall or is intended to enlarge the security for any loan, deposit or other indebtedness created by the Transferor Company prior to the "Appointed Date" which shall be transferred to and vested in the Transferee Company by virtue of the amalgamation and the Transferee Company shall not be required or obliged in any manner to create any further or additional security therefor after the "Appointed Date" or otherwise.

3.2. All the loans, advances and other facilities sanctioned to the Transferor Company by their bankers prior to the "Appointed Date", which are partly drawn / utilised shall be deemed to be the loans and advances sanctioned to the Transferee Company and the said loans and advances shall be drawn / utilised either partly or fully by the Transferor Company from the "Appointed Date" till the "Effective Date" and all the advances / loans and / or other facilities so drawn by the Transferor Company (within the over all limits sanctioned by their bankers) shall on the "Effective Date" be treated as advances and loans made available to the Transferee Company under any loan agreement shall be construed and shall become the obligation of the Transferee Company without any further act, or deed on the part of the Transferee Company.

3.3. Upon the coming into effect of this Scheme, the borrowing limits of the Transferee Company in terms of Section 293(1) (d) of the said Act, shall without further act or deed stand enhanced by an amount equivalent to the combined authorised borrowing limits of the Transferor Company, such limits being incremental to the existing limits of the "Transferee Company". These limits as enhanced may be increased, from time to time, by the Transferee Company by obtaining sanction of its shareholders in accordance with the provisions of the said Act.

3.4. Upon this Scheme coming into effect, any loan or other obligations due between or amongst the Transferor Company and the Transferee Company shall stand discharged and there shall be no liability in that behalf. In so far as any securities, debentures or notes issued by the Transferor Company and held by the Transferee company, and vice versa, are concerned, the same shall, unless sold or transferred by the Transferor Company or the Transferee Company, as the case may be, at any time prior to the "Effective Date", stand cancelled as on the "Effective Date" and shall be of no effect and the Transferor Company or the Transferee Company, as the case may be, shall have no further obligation outstanding in that behalf.

### 4. LEGAL PROCEEDINGS

Upon this Scheme coming into effect, all legal or other proceedings by or against the Transferor Company - pending and / or arising on or before the "Effective Date" including their property, rights, powers, liabilities, debts obligations and duties, etc. of the Transferor Company shall be continued and be enforced by or against the Transferee Company, as the case may be, as effectually as if the same had been pending and/or arising by or against the Transferee Company.

to the administration or operation of such schemes or Funds or in relation to the obligation to make contributions in the said schemes / funds as per the terms provided in the respective Trust Deeds, to the end and intent that all the rights, duties, powers and obligations of the Transferor Company in relation to such schemes / funds shall become those of the Transferee Company. It is clarified that the service of the employees of the Transferor Company will be treated as having been continuous for the purposes of the aforesaid schemes/funds.

#### **7. TREATMENT OF RESERVES**

7.1 It is further provided that upon the Scheme coming into effect, the reserves and surplus of the Transferor Company whether capital or revenue, shall be recorded in the books of the Transferee Company at their existing carrying amounts and in the same form as they appear in the books of the Transferor Company at the "Appointed Date".

7.2 It is further provided that upon the Scheme coming into effect, the Miscellaneous Expenditure and debit balance of the Profit and Loss Accounts of the Transferor Company, if any, shall be recorded in the books of the Transferee Company at their existing carrying amounts.

#### **8. APPLICATION TO THE HIGH COURT OF JUDICATURE AT MADRAS & TO THE HIGH COURT OF JUDICATURE AT MUMBAI.**

8.1 The Transferor Company and the Transferee Company shall, with reasonable despatch, apply to the High Court of Judicature at Mumbai and in the High Court of Judicature at Madras for necessary orders or directions for holding meetings of the members of the Transferor Company and the Transferee Company respectively and the sanctioning this Scheme of Amalgamations under Sec.391 of the Companies Act, 1956 and orders under Sec.394 for carrying this Scheme into effect and for dissolution of the Transferor Company without winding up.

#### **9. ALLOTMENT OF SHARES**

9.1 Pursuant to the merger of the Transferor Company with the Transferee Company, the shares of the Transferor Company, both fully and partly paid-up that is held by the Transferee Company, will be cancelled.

9.2 In consideration of the transfer of the undertaking, the shareholders of the Transferor Company, other than the Transferee Company, on the Record Date will be allotted TWO equity shares of Rs. 10/- each of the Transferee Company credited as fully paid up, for every FIVE equity shares of Rs. 10/- each fully paid-up. Similarly, the holders of partly paid up Equity shares other than the Transferee Company will be allotted TWO equity shares of Rs. 5/- each, partly paid up to the same extent as in the Transferee Company for every FIVE Equity shares of Rs. 5/- each (partly paid up) that is held by them in the Transferor Company.

9.3 The fraction of share if any less than 1/2 of an Equity share shall be ignored and fraction of more than or equal to 1/2 of an Equity share shall be treated as one share for the purpose of allotment.

9.4 The said equity shares to be issued and allotted by the Transferee Company shall rank paripassu in all respects from the date of allotment in terms of this scheme, with the existing equity shares of the Transferee Company, with all rights therein, and shall be entitled to full dividend, if any, which may be declared by the Transferee Company after the effective date of the scheme.

9.5 The equity shares of the Transferee Company issued in terms of this clause, shall subject to the provisions of the listing agreement and payment of the appropriate fee, be listed on the Stock Exchange Mumbai, the Delhi Stock Exchange, the National Stock Exchange and the Madras Stock Exchange.

9.6 In the event of there being any pending share transfer, whether lodged or outstanding, of any shareholder of the Transferor Company, the Board of Directors or any Committee thereof of the Transferee Company at its sole discretion shall be empowered in appropriate circumstances, even subsequent to the Record Date or the Effective Date, as the case may be to effectuate such a transfer in the Transferee Company as if such changes in the registered holders were operative on the Record Date, in order to remove any difficulties arising to the transfer of the share in the Transferee Company and in relation to any new shares, after the Scheme becomes effective. The Board of Directors of the Transferee Company shall be empowered to remove such difficulties as may arise in the course of implementation of the Scheme and registration of new members in the Transferee Company on account of the difficulties if any in the transition period.

9.7 In the event of the Transferee Company issuing any shares or any bonds or any debentures (non-convertible or partly or fully convertible) or any shares by way of bonus or rights to its shareholders on or after the date of acceptance of the Scheme by the respective Board of Directors of the Transferor Company and Transferee

Company, and before issue of shares under Clause 9 hereof, the Transferee Company shall reserve for allotment to the members of the Transferor Company, the number of such shares, bonds or debentures to which the members of the Transferor Company would be entitled in terms of such issue, if this Scheme of Amalgamation had become effective prior to such issue. The shares, bonds or debentures so reserved as aforesaid shall be allotted (in the case of bonus shares) or offered (in case of rights issue) to the members of the Transferor Company only if this scheme of Amalgamation becomes effective as specified herein and on the terms and conditions as those governing such allotment or issue to the members of the Transferee Company save and except that the dates of acceptance, splitting, renunciation, payment and allotment on the date from which such shares, bonds or debentures shall rank for dividend and interest shall be suitably fixed by the Board of Directors of the Transferee Company having due regard to similar dates fixed in respect of the issue of offer thereof to the shareholders of the Transferee Company.

#### **10. MODIFICATIONS/AMENDMENTS TO THE SCHEME**

10.1 The Transferor Company and the Transferee Company through their respective Board of Directors or other persons, duly authorised by the respective boards in this regard, may make or assent to any alteration or modification to this Scheme or to any conditions or limitations, which the High Court of Judicature at Mumbai and the High Court of Judicature at Madras or any other Competent Authority may deem fit to direct, approve or impose and may give such directions, as they may consider necessary, to settle any doubt, question or difficulty, arising under the scheme or in regard to its implementation or in any manner connected therewith and to do all such acts, deeds, matters and things necessary for putting this Scheme into effect.

10.2 After dissolution of the Transferor Company the Transferee Company by its Board of Directors or other persons, duly authorised by its Board in this regard, shall be authorised, to take such steps, as may be necessary, desirable or proper to resolve any doubts, difficulties or questions, whether by means of any order of the High Court of Judicature at Madras or of any district or order of any other authority or otherwise, hereinafter mentioned, under by virtue of this or terms and/or matters connected or connected therewith.

10.3 The Scheme shall be operative with effect from the APPOINTED DATE.

#### **11. SCHEME CONDITIONAL ON APPROVALS / SANCTIONS**

This Scheme is conditional on and subject to —

11.1 The sanction or approval under any law of the Central Government, State Government, or any other agency, department or authorities concerned being obtained and granted in respect of any of the matters in respect of which such sanction or approval is required.

11.2 The approval of and assent to the Scheme by the requisite majority of each class of members of the Transferor Company and the Transferee Company as may be directed by the High Court of Judicature at Mumbai and by the High Court of Judicature at Madras on the applications made for directions under Section 391 of the Act for calling meetings and necessary resolutions being passed under the Act for the purpose.

11.3 The sanction by the High Court of Judicature at Mumbai and by the High Court of Judicature at Madras under Section 391 and 394 and other applicable provisions of the Act being obtained by the Transferor Company and the Transferee Company as the case may be.

11.4 Such other sanctions and approvals as may be required by law being obtained, all necessary certified copies of the orders referred to in the Scheme being filed with the Registrar of Companies, Mumbai and with the Registrar of Companies, Chennai.

11.5 In the event of the Scheme failing to take finality, the Scheme shall become null and void and in that event, no rights and liabilities whatsoever shall accrue to or be incurred inter-se by the parties or their shareholders or their creditors or employees or any other person.

#### **12. EXPENSES CONNECTED WITH THE SCHEME**

All costs, charges and expenses of the Transferor Company and the Transferee Company respectively in relation to or in connection with negotiations leading up to the Scheme and of carrying out and completing the terms and provisions of this Scheme and in relation to or in connection with the Scheme and incidental to the completion of the amalgamation of the Transferor Company in pursuance of this scheme shall be borne and paid by the respective companies.

**WITNESSETH, the Hon'ble Judge NALLAPATI**  
**VENKATESH RAO, Chief Justice at Madras,**  
**at Madras, this the 14th day of December, 2001.**

**GM/10.12.**

*R. N. S.*

**sd/- K. Srinivasan,**  
**DEPUTY REGISTRAR (O.S.)**

**Certified to be a true copy**

**Dated this the 14<sup>th</sup> day of Dec 2001**

*J. N. S.*  
**COURT OFFICER**

referred to as "the Transferor Company" or "the Petitioner Company") with Aban Loyd Chilex Offshore Limited (hereinafter referred to as the Transferee Company) and for the other consequential reliefs as mentioned in the Petition and the said Petition being this day called on for hearing and disposal AND UPON READING the Petition and the Affidavit of Shri. Vijay Saheta, Deputy General Manager (Accounts & Finance) of the Petitioner Company dated 30th day of October 2001 verifying the said Petition AND UPON READING the Affidavit of Mr. Kapil Murudkar, Clerk in the Office of Advocates for the Petitioner Company dated 30th day of January 2002 proving publication of the notice of the date of the hearing of the Petition on the issue of "Free Press Journal" dated 10th December, 2001 and "Navshakti" dated 10th December, 2001 AND UPON READING the Affidavit of Mr. Vijay Saheta, dated 29th day of January 2002 proving <sup>despatch</sup> ~~dispatch~~ of notice upon the creditors of the Petitioner Company AND UPON READING ~~of~~ the Affidavit dated 29th day of January, 2002 of Mr. M. H. Gulhane, Bailiff from the Office of Sheriff of Mumbai proving service of notice of hearing of the Petition upon the Regional Director, Department of Company Affairs, Maharashtra, Mumbai and the Official Liquidator, High Court, Bombay AND UPON READING the Affidavit dated 26th day of February, 2002 <sup>of</sup> Mr. Vijay Saheta annexing the consent given by the creditors of the Petitioner Company as Exhibit B-1, B-2, and B-3 thereto AND UPON READING the Order dated 29th day of August, 2001 made by this Hon'ble Court in Company Application No.430 of 2001 whereby Petitioner Company was directed to convene and hold meeting of its Equity Shareholders for the purpose of considering and if thought fit approving with or without modification the arrangement embodied in the Scheme of Amalgamation of Hitech Drilling Services India Limited (Petitioner Company) with Aban Loyd Chilex Offshore Limited (Transferee Company) AND meeting of the creditors of the Petitioner Company was ~~also~~ <sup>also</sup> dispensed with in view of the averments <sup>made</sup> ~~made~~ in para 13 of the Affidavit in Support of Company Application No.430 of 2001 and <sup>undertaking</sup> ~~undertaking~~ given by Petitioner to publish notice of hearing of the Petition in two newspapers.

and issue of individual notice to majority or substantial numbers of creditors of  
Petitioner Company AND UPON READING the Affidavit of Mr. A. B. Kothari,  
Chairman appointed for the meeting of Equity Shareholders of the Petitioner  
Company dated 24th day of September, 2001 proving publication of the notice  
convening and holding meeting of Equity Shareholders of the Petitioner Company  
in the issue of "Free Press Journal" and "Navshakti" both dated 10th day of  
September 2001 and proving ~~service~~<sup>despatch</sup> of notice convening meeting of individual  
Equity Shareholders of the Petitioner Company AND UPON READING the  
Report dated 31st day of October, 2001 of Mr. A. P. Kothari, Chairman appointed  
for the meeting of Equity Shareholders of the Petitioner Company as to the results  
of the said meeting AND UPON READING the Affidavit of Mr. A. P. Kothari  
dated 31st day of October, 2001 verifying the Chairman's Report AND IT  
APPEARS from the Report of the Chairman that the Scheme of Amalgamation of  
Petitioner Company with the Transferee Company has been approved by over  
whelming majority in number of shareholders and representing more than three  
fourth in value of the Equity Shareholders of the Petitioner Company present at the  
meeting and voting in favour of the Scheme of Amalgamation AND UPON  
READING the Report of the Official Liquidator, High Court, Bombay dated 30th  
day of January, 2002, wherein the Official Liquidator has opined that the affairs of  
the Petitioner Company have not been conducted in a manner prejudicial to its  
members or to the public interest AND UPON READING the Affidavit dated 30th  
day of January, 2002 of Anita Ramchh Jagtiani and Ramesh Jagtiani the two  
objectors opposing the grant of approval of the Scheme of Amalgamation AND  
UPON READING the Affidavit dated 26th day of February, 2002 of Anita  
Ramesh Jagtiani and Ramesh Jagtiani withdrawing the Applications opposing the  
grant of approval to the Scheme of Amalgamation AND UPON HEARING Shri  
Ravi Kadam with Shri Gaurav Joshi instructed by Messrs. RMG Law Associates,  
Advocates for the Petitioner Company and Shri, C. J. Joy with Shri M. M.  
Goswami, Panel Counsel instructed by Mr. R.P. Singh Company Prosecutor for the

Regional Director, Department of Company Affairs, Maharashtra, Mumbai who submits to the Order of the Court and Shri B. L. Meena, Official Liquidator, High Court, Bombay who also submits to the order of the Court and no other person or persons entitled to appear at the hearing of the Petition appearing this day either in support or to show cause against the said Petition THIS COURT DOETH HEREBY SANCTION the arrangement embodied in the Scheme of Amalgamation of Hitech Drilling Services India Limited, Petitioner Company with Aban Loyd Chiles Offshore Limited, Transferee Company as set forth in Exhibit 'E' to the said Petition and also in the schedule hereto AND THIS COURT DOETH HEREBY DECLARE the Scheme of Amalgamation to be binding on the Petitioner Company, all the members of the Petitioner Company and also Transferee Company AND THIS COURT DOETH ORDER that with effect from the 1<sup>st</sup> day of April 2001 (hereinafter called the Appointed Date) the entire undertaking of the Petitioner Company including all the properties and assets particularly specified in the Scheme of Amalgamation being Exhibit "E" to the Petition and in the Schedule hereto shall without any further act or deed stand transferred to and vested in the Transferee Company pursuant to the provisions of Section 394 of the Companies Act, 1956, so as to become the property of the Transferee Company subject however to the charges, if any, affecting the same AND THIS COURT DOETH FURTHER ORDER that with effect from the Appointed Date all debt, liabilities, duties and obligations of the Petitioner Company shall without any further act or deed and pursuant to the provisions of Section 394 of the Companies Act, 1956 stand transferred to the Transferee Company so as to become the debts, liabilities, duties and obligations of the Transferee Company AND THIS COURT DOETH FURTHER ORDER that all the legal proceedings by or against the Petitioner Company pending on the Appointed Date shall be continued and enforced by or against the Transferee Company AND THIS COURT DOETH FURTHER ORDER that in consideration of the transfer of the undertaking of the Petitioner Company to the Transferee Company, the shareholders of the Petitioner Company shall be

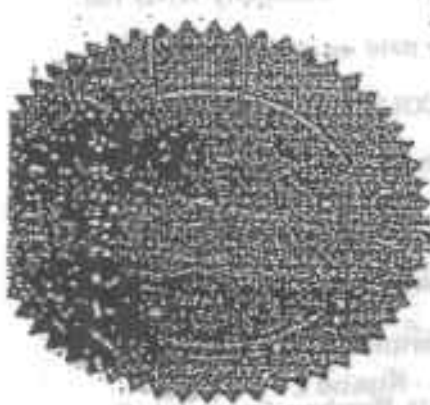


allotted 2 (two) equity shares of Rs.10/- each of the Transferee Company credited as fully paid up, for every 5 (five) equity shares of Rs.10/- each fully paid up of the Petitioner Company AND the holders of partly paid up Equity Shares other than the Transferee Company will be allotted 2 (two) equity shares of Rs.5/- each, partly paid up of the same extent as in the Transferee Company for every 5 (five) Equity Shares of Rs.5/- each partly paid up of the Petitioner Company AND the shares of the Petitioner Company, both fully and partly paid up that is held by the Transferee Company shall be cancelled AND THIS COURT DOTH FURTHER ORDER that upon the Scheme becoming effective the Petitioner Company (Hitech Drilling Services India Limited) shall stand dissolved without winding up AND THIS COURT DOTH FURTHER ORDER that the Petitioner Company do within 30 days after the date of sealing of this Order cause a certified copy of the order to be delivered to the Registrar of Companies Maharashtra, <sup>Mumbai</sup> ~~Bombay~~ for registration and on such certified copy being so delivered, the Petitioner Company shall stand dissolved without winding up and upon receipt of the certified copy of order sanctioning the Scheme of Amalgamation by the High Court at Madras upon the Petition filed by the Transferee Company, the Registrar of Companies, Maharashtra, Mumbai shall transfer all documents relating to the Petitioner Company to the Registrar of Companies, Chennai for the purpose of registering with him on the files kept by him in relation to the Transferee Company and the files of the Petitioner Company and the Transferee Company shall be consolidated accordingly AND THIS COURT DOTH FURTHER ORDER that the parties to the arrangement embodied in the said scheme of amalgamation or any other person or persons interested therein shall be at liberty to apply to this Hon'ble Court for any directions that may be necessary for the purpose of carrying out the arrangement embodied therein AND THIS COURT DOTH LASTLY ORDER that the Petitioner Company do pay the sum of Rs. 1500/- (Rupees Five Hundred only) each to the Regional Director, Department of Company Affairs, Maharashtra, Mumbai and the Official Liquidator High Court, Bombay towards the costs of this

Petition WITNESS SHRI CHUNILAL KARSANDAS THAKKER, Chief Justice  
at Bombay aforesaid this 27th day of February, 2002.

BY THE COURT

*Arjun*  
FOR PROTHONOTARY AND SENIOR MASTER



*Arjun*  
Sealer  
Dated this 27th day of March, 2002

- Order sanctioning the scheme of )
- Amalgamation under Section 391 to 394 )
- of the Companies Act I of 1956 drawn on )
- the Application of M/s. RMG Law )
- Associates, Advocates for the Petitioner )
- Company having their office at )
- C/o-ERA Construction, 1st Floor, )
- Commonwealth Building, )
- Oak Lane, Fort, Bombay- 400 001- )

SCHEDULE

THIS COURT DOETH ORDER that the scheme of amalgamation...  
Department of Company Affairs, Maharashtra  
Mumbai and the Official Liquidator High Court, Bombay towards the cost of this

# SCHEDULE

## SCHEME OF AMALGAMATION

OF

M/s. HITECH DRILLING SERVICES INDIA LIMITED

WITH

M/s. ABAN LOYD CHILES OFFSHORE LIMITED

### PART - I

#### DEFINITION

In this Scheme, unless inconsistent with the subject or context, the following expressions shall have the following meanings.

#### 1. TRANSFEROR COMPANY

"The Transferor Company" or "HDSIL" means Hitech Drilling Services India Limited, a company registered under the Companies Act, 1956, having its registered office at No. 87B, Vikas Centre, S.V. Road, Santacruz (W), Mumbai - 400 054, (hereinafter called transferor Company or "HDSIL")

#### 2. TRANSFEREE COMPANY

"The Transferee Company" or "ALCOL" means Aban Loyd Chiles Offshore Limited, a company registered under the Companies Act, 1956, having its registered office at "Janpriya Crest", Old No. 96, New No. 113, Pantheon Road, Egmore, Chennai - 600 008 (hereinafter called The Transferee Company or "ALCOL")

#### 3. THE ACT

"The Act" means the Companies Act, 1956 (1 of 1956) including any statutory modifications or re-enactments thereof for the time being in force.

#### 4. APPOINTED DATE

"The Appointed Date" means the date of commencement of business on 1<sup>st</sup> April 2001.

#### 5. EFFECTIVE DATE

"The Effective Date" means the last of the following dates, namely (a) date on which certified copies of the orders of the High Court of Judicature at Madras and the High Court of Judicature at Mumbai under Sections 391 and 394 of the Companies Act, 1956 are filed with the Registrar of Companies and (b) date on which the last of all such consents, approvals, permissions, resolutions, agreements, sanctions and orders necessary thereto have been obtained or passed.

6. RECORD DATE

'RECORD DATE' means the date to be fixed by the Board of Directors or a Committee thereof of the TRANSFEROR COMPANY for the purpose of determining the members of the TRANSFEROR COMPANY to whom shares will be allotted pursuant to this Scheme.

7. SCHEME

'The Scheme' means this Scheme of Amalgamation in its present form or with any modification(s) approved, imposed, or directed by the High Court of Judicature at Madras and the High Court of Judicature at Mumbai.

PART - II

THE SCHEME

1. TRANSFER OF UNDERTAKING

1.1 With effect from the "Appointed Date" and subject to the provisions of this Scheme in relation to the mode of transfer and vesting the undertaking and the entire businesses of all the movable and immovable properties, real or personal, corporeal or incorporeal including fixed assets, capital assets, capital work-in-progress, current assets, investments of all kinds, lease and hire purchase contracts, lending contracts, benefits of any social arrangements, reversions, powers, authorities, allotments, approvals, consents, licences including engagements, arrangements, rights, title, interest, quotas, benefits or advantages of whatsoever nature and whatsoever situated, belonging to or in the ownership, power or possession and/or in the control of or vested in or granted in favour and enjoyed by the Transferor Company including all patents, trademarks, copyrights, trade names and other intellectual property rights of any nature whatsoever and licenses in respect thereof, privileges, liberties, easements, advantages, exemptions, benefits, lease leasehold rights, tenancy rights, ownership rights, quota rights, permits, approvals, authorisations, right to use and avail of telephones, telexes, facsimile connections or installations, utilities, electricity, power lines, communication lines and other service reserves, deposits, provisions, funds, benefit of all agreements, subsidies, grants, credits, income tax, sales tax, turnover tax, excise, customs and all other interests arising from the Transferor Company and any accretions or additions thereto after the "Appointed Date" (hereinafter collectively referred to as the "the said assets") shall be transferred to and vested in and / or deemed to be transferred to and vested in the Transferee Company without any further act or deed or instrument pursuant to the provisions of Section 394

the said Act for all the estate, assets, right, title and interest of the Transferor Company herein, so as to become as and from the "Appointed Date", the estate, assets, rights, title and interests of the Transferee Company.

2. The Scheme, as aforesaid, shall be, subject to existing charges/hypothecation/mortgage (if any as may be subsisting) over or in respect of the said assets or any part thereof in favour of Banks and Financial Institutions (such as ICICI and UTI BANK); provided, however that any reference in any security documents or arrangements to which, the Transferor Company is a party, to such assets of the Transferor Company offered or agreed to be offered as security for any financial assistance both availed and to be availed upto any limit for which sanctions have already been obtained by the Transferee Company by virtue of the sub-clause 1.1 hereof, to the end and intent that such security, mortgage and/or charge shall not extend or be deemed to extend, to any of the assets or to any of the other units or divisions of the Transferee Company, unless specially agreed to by the Transferee Company with such secured creditors and subject to the consents and approvals of the existing secured creditors of the Transferee Company.

1.3. In respect of the floating charges created by the Transferor Company in favour of their bankers for all the movable assets, documents of title to goods, receivables, claims and other current assets that are acquired by the Transferor Company from the "Appointed Date" till the "Effective Date", shall be deemed to be the security and shall be available as security for the loans, cash credit and other working capital facilities, both fund based and non-fund based, which were sanctioned by the bankers of the Transferor Company either utilised fully or partly or unutilised by the Transferor Company subject to the limits sanctioned by their respective bankers.

- 1.4. It is expressly provided that in respect of such of the said assets as are movable in nature or are otherwise capable of transfer by manual or constructive delivery and/or by endorsement and delivery, the same shall be so transferred by the Transferor Company and shall become the property of the Transferee company in pursuance of the provisions of Section 391 and 394 of the said Act, as an integral part of the undertaking, such transfer being deemed to have taken place at the location of the Registered Office of the Transferee Company, i.e., in the State of Tamil Nadu.
- 1.5. In respect of the said assets other than those referred to in sub-clause referred to above, the same shall as more particularly provided in sub-clause 1.1 hereof, without any further act, instrument or deed, be transferred to and vested in and/or deemed to be transferred and vested in the Transferee Company on the "Appointed Date", pursuant to the provisions of Section 391 and 394 of the said Act. The vesting of all such assets, shall by virtue of the provisions of this Scheme, the effect of the provisions of this Scheme, and the effect of the provisions of Section 391 and 394 of the said Act, be deemed to have taken place at the location of the Registered Office of the Transferee Company, i.e., in the State of Tamil Nadu.
- 1.8. The Transferee Company, may at any time, after the coming into the effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds of confirmation in favour of the secured creditors of the Transferor Company or in favour of any other party to any contract or arrangement to which the Transferor Company is a party or any writings, as may be necessary, to be executed in order to give formal effect to the above provisions. The Transferee Company shall under provisions of the Scheme be deemed to be authorised to execute any such writings on behalf of the Transferor Company implement or carry out all such formalities or compliance referred to above on the part of the Transferor Company to be carried out or performed.

## SHARE CAPITAL

1. The Authorised share capital of "HDSIL" is Rs.30,00,00,000 (Rupees Thirty crores only) divided into 3,00,00,000 (Three Crores) Equity Shares of Rs.10/- (Rupees Ten only) each. The present Issued and Subscribed capital of HDSIL is Rs.20,35,67,500/- (Rupees Twenty Crores thirty five lakhs sixty seven thousand five hundred only) divided into 2,03,50,750 (Two crores three lakhs fifty six thousand seven hundred fifty) equity shares of Rs.10/- (Rupees Ten only) each. The paid up share capital of the company is Rs.20,33,62,010 (Rupees Twenty crores thirty three lakhs sixty two thousand and ten only) comprising of 2,03,15,652 (Two crores three lakhs fifteen thousand six hundred and fifty two only) Fully Paid Up Equity Shares of Rs.10/- (Rupees ten only) each and 41,098 (Forty one thousand ninety eight) Equity Shares that are partly paid to the extent of Rs.5/- (Rupees five only) each.

2.2 The Authorised share capital of "ALCOL" is Rs.200,00,00,000/- (Rupees Two hundred crores only) divided into 18,00,00,000 (Eighteen crores) Equity Shares of Rs.10/- (Rupees ten only) each amounting to Rs.160,00,00,000/- (Rupees one hundred and eighty crores only) and Rs.20,00,00,000/- (Rupees twenty crores only) divided into 2,00,00,000 (Two crores) Cumulative Redeemable Preference Shares of Rs.10/- (Rupees ten only) each. The present Issued, Subscribed and Paid Up capital of "ALCOL" is Rs.6,27,57,600/- (Rupees six crores twenty seven lakhs eighty seven thousand six hundred only) divided into 62,76,760 (Sixty two lakhs seventy eight thousand seven hundred sixty) equity shares of Rs.10/- each.

## 3. TRANSFER OF DEBTS AND LIABILITIES

3.1 With effect from the said "Appointed Date", all debts, liabilities, duties and obligations of the Transferor Company including debentures and contingent liabilities not provided in their books (hereinafter referred to as "the said liabilities") and any accretions and additions or deductions thereto after the "Appointed Date" shall also stand transferred or deemed to be transferred without any further act or instrument or deed to the Transferee Company so as to become as and from that date, the debts, liabilities, duties and obligations of the Transferee Company and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to effect to the

provisions of this clause. PROVIDED ALWAYS that nothing in this clause shall or is intended to enlarge the security for any loan, deposit or other indebtedness created by the Transferor Company prior to the "Appointed Date" which shall be transferred to and vested in the Transferee Company by virtue of the amalgamation and the Transferee Company shall not be required or obliged in any manner to create any further or additional security therefor after the "Appointed Date" or otherwise.

3.2 All the loans, advances and other facilities sanctioned to the Transferor Company by their bankers prior to the "Appointed Date", which are partly drawn / utilised shall be deemed to be the loans and advances sanctioned to the Transferee Company and the said loans and advances shall be drawn / utilised either partly or fully by the Transferor Company from the "Appointed Date" till the "Effective Date" and all the advances / loans and or other facilities so drawn by the Transferor Company (within the over all limits sanctioned by their bankers) shall on the "Effective Date" be treated as advances and loans made available to the Transferee Company under any loan agreement shall be construed and shall become the obligation of the Transferee Company without any further act, or deed on the part of the Transferee Company.

Upon the coming into effect of this Scheme, the borrowing limits of the Transferee Company in terms of Section 293(1) (d) of the said Act, shall without further act or deed stand enhanced by an amount equivalent to the combined authorised borrowing limits of the Transferor Company, such limits being incremental to the existing limits of the "Transferee Company". These limits as enhanced may be increased, from time to time, by the Transferee Company by obtaining sanction of its shareholders in accordance with the provisions of the said Act.

3.4 Upon this Scheme coming into effect, any loan or other obligations due between or amongst the Transferor Company and the Transferee Company shall stand discharged and there shall be no liability in that behalf. In so far as any securities, debentures or notes issued by the Transferor Company and held by the Transferee company, and vice versa, are concerned, the same shall, unless sold or transferred by the Transferor Company or the Transferee Company, as the case may be, at any time prior to the "Effective Date", stand



cancelled as on the "Effective Date" and shall be of no effect and the Transferor Company or the Transferee Company, as the case may be, shall have no further obligation outstanding in that behalf.

#### LEGAL PROCEEDINGS

Upon this Scheme coming into effect, all legal or other proceedings by or against the Transferor Company - pending and / or arising on or before the "Effective Date" including their property, rights, powers, liabilities, debts, obligations and duties, etc. of the Transferor Company shall be continued and be enforced by or against the Transferee Company, as the case may be, as effectually as if the same had been pending and/or arising by or against the Transferee Company.

#### CONDUCT OF BUSINESS TILL "EFFECTIVE DATE"

With effect from the "Appointed Date" and up to and including the "Effective Date", The Transferor Company shall carry on and be deemed to have been carrying on all business activities and shall be deemed to have been held for and on account of and in trust for the Transferee Company.

All profits or income accruing or arising to the Transferor Company or losses arising or expenditure incurred by it shall for all purposes be treated as and be deemed to be treated as the profits or income or losses or expenditure of the Transferee Company as the case may be.

The transferor company shall carry on its business activities with proper prudence and diligence and shall not, without prior written consent of the Transferee Company, alienate, charge or otherwise deal with or dispose of any of their units/undertakings or any part thereof except in the ordinary course of business or pursuant to any pre existing obligation undertaken by the Transferor Company prior to the "Appointed Date".

The Transferee Company shall also be entitled, pending the sanction of the Scheme, to apply to the Central Government, State Government, and all other agencies, departments and statutory authorities concerned, wherever necessary, for such consents, approvals and sanctions which the Transferee Company may require including the registration, approvals, exemptions, etc., as may be required/granted under the Reserve Bank of India Act, 1934 or under any law for time being in force for carrying on business by the transferee.

5.5. The Transferor Company shall not declare any dividend for the accounting period commencing from 1.4.2001 namely the "Appointed Date" till the "Effective Date" without the prior written consent of the Transferee Company.

5.6. The Transferor Company shall continue to comply with the provisions of the Act including those relating to preparation, presentation, circulation and filing of accounts as and when they become due for compliance.

5.7. The Transferor Company shall not make any modification to their capital structure either by an increase (by issue of right shares, bonus shares, convertible debentures or otherwise) or decrease, reclassify, sub-divide or re-organize, or in any other manner, whatsoever, except by mutual consent of the Board of Directors of the Transferor Company and the Transferee Company.

5.8. The Transferor Company shall not vary except in the ordinary course of business the terms and conditions of the employment of their employees without the consent of the Board of Directors of the Transferee Company.

#### 6. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS

6.1. Subject to the other provisions contained in the Scheme, all contracts, deeds, bond agreements and other instruments of whatsoever nature, to which the Transferor Company is a party subsisting or having effect immediately before the amalgamation, shall be, in force and effect, against or in favour of the Transferee Company as the case may be, and may be enforced as fully and as effectively as if instead of the Transferor Company the Transferee Company had been a party thereto. The Transferee Company shall enter into and/or issue and/or execute deeds, writings or confirmations or enter into any tripartite arrangement, confirmations or novations to which the Transferor Company will, if necessary, also be party in order to give formal effect to the provisions of this clause, if so required become necessary. The Transferee Company will also be entitled to secure approvals from such authorities as may be necessary whenever any approvals are necessary for transfer of property from the Transferor Company.

6.2. For the removal of doubts, it is expressly made clear that the dissolution of the Transferor Company without the process of winding up as contemplated hereinafter, shall not, except to the extent set out in the Scheme, affect the previous operation of any contract,

agreement, deed or any instrument or beneficial interest to which the Transferor Company is a party thereto and shall not affect any right, privilege, obligations or liability acquired, deemed to have been acquired and all such reference in such agreements, contracts and instruments to the Transferor Company shall be construed as reference only to the Transferee Company with effect from the "Effective Date".

3. All employees of the Transferor Company in service on 1.4.2001, shall become the employees of the Transferee Company on such date without any break or interruption in service and on terms and conditions as to remuneration not less favourable than those subsisting with reference to the Transferor Company as on the said date.

4. In so far as the Provident Fund, Gratuity Fund, Superannuation fund or any other special scheme(s) / Fund(s) created or existing for the benefit of the Employees of the Transferor Company is concerned, from 1.4.2001, the Transferee Company shall stand substituted for the Transferor Company for all the purposes whatsoever related to the administration or operation of such schemes or Funds or in relation to the obligation to make contributions to the said schemes / funds as per the terms provided in the respective Trust Deeds, to the end and intent that all the rights, duties, powers and obligations of the Transferor Company in relation to such schemes / funds shall become those of the Transferee Company. It is clarified that the service of the employees of the Transferor Company will be treated as having been continuous for the purposes of the aforesaid schemes/funds.

#### 7. TREATMENT OF RESERVES

7.1. It is further provided that upon the Scheme coming into effect, the reserves and surplus of the Transferor Company whether capital or revenue, shall be recorded in the books of the Transferee Company at their existing carrying amounts and in the same form as they appear in the books of the Transferor Company at the "Appointed Date".

7.2. It is further provided that upon the Scheme coming into effect, the Miscellaneous Expenditure and debit balance of the Profit and Loss Accounts of the Transferor Company, if any, shall be recorded in the books of the Transferee Company at their existing carrying amounts.

**8. APPLICATION TO THE HIGH COURT OF JUDICATURE AT MADRAS & TO THE HIGH COURT OF JUDICATURE AT MUMBAI.**

8.1. The Transferor Company and the Transferee Company shall, with reasonable despatch apply to the High Court of Judicature at Mumbai and in the High Court of Judicature Madras for necessary orders or directions for holding meetings of the members of Transferor Company and the Transferee Company respectively and the sanctioning Scheme of Amalgamations under Sec.391 of the Companies Act, 1956 and orders under Sec.394 for carrying this Scheme into effect and for dissolution of the Transferor Company without winding up.

**9. ALLOTMENT OF SHARES**

9.1. Pursuant to the merger of the Transferor Company with the Transferee Company, shares of the Transferor Company, both fully and partly paid-up that is held by the Transferee Company, will be cancelled.

9.2. In consideration of the transfer of the undertaking, the shareholders of the Transferor Company, other than the Transferee Company, on the Record Date will be allotted **1** equity shares of Rs.10/- each of the Transferee Company credited as fully paid up, for every **FIVE** equity shares of Rs.10/- each fully paid-up. Similarly, the holders of partly paid Equity shares other than the Transferee Company will be allotted **TWO** equity shares of Rs.5/- each, partly paid-up to the same extent as in the Transferee Company for every **FIVE** Equity shares of Rs.5/- each (partly paid up) that is held by them in the Transferor Company.

9.3. The fraction of share if any less than  $\frac{1}{2}$  of an Equity share shall be ignored and fraction more than or equal to  $\frac{1}{2}$  of an Equity share shall be treated as one share for the purpose of allotment.

9.4. The said equity shares to be issued and allotted by the Transferee Company shall *in* pari passu in all respects from the date of allotment in terms of this scheme, with the existing equity shares of the Transferee Company, with all rights thereto, and shall be entitled to dividend, if any, which may be declared by the Transferee Company after the effective date of the scheme.

The equity shares of the Transferee Company issued in terms of this clause, shall subject to the provisions of the listing agreement and payment of the appropriate fee, be listed on the Stock Exchange Mumbai, the Delhi Stock Exchange, the National Stock Exchange and the Madras Stock Exchange.

In the event of there being any pending share transfer, whether lodged or outstanding, of any shareholder of the Transferor Company, the Board of Directors or any Committee thereof of the Transferee Company at its sole discretion shall be empowered in appropriate circumstances, even subsequent to the Record Date or the Effective Date, as the case may be to effectuate such a transfer in the Transferee Company as if such changes in the registered holders were operative on the Record Date, in order to remove any difficulties arising to the transfer of the share in the Transferee Company and in relation to any new shares, after the Scheme becomes effective. The Board of Directors of the Transferee Company shall be empowered to remove such difficulties as may arise in the course of implementation of the Scheme and registration of new members in the Transferee Company on account of the difficulties if any in the transition period.

7. In the event of the Transferee Company issuing any shares or any bonds or any debentures (non-convertible or partly or fully convertible) or any shares by way of bonus or rights to its shareholders on or after the date of acceptance of the Scheme by the respective Board of Directors of the Transferor Company and Transferee Company, and before issue of shares under Clause 9 hereof, the Transferee Company shall reserve for allotment to the members of the Transferor Company, the number of such shares, bonds or debentures to which the members of the Transferor Company would be entitled in terms of such issue, if this Scheme of Amalgamation had become effective prior to such issue. The shares, bonds or debentures so reserved as aforesaid shall be allotted (in the case of bonus shares) or offered (in case of rights issue) to the members of the Transferor Company only if this scheme of Amalgamation becomes effective as specified herein and on the terms and conditions as those governing such allotment or issue to the members of the Transferee Company save and except that the dates of acceptance, splitting, renunciation, payment and allotment on the date from which such shares, bonds or debentures shall rank for dividend and interest shall be suitably fixed by the Board of Directors of the Transferee

Company having due regard to similar dates fixed in respect of the issue of offer thereof to the shareholders of the Transferee Company.

#### 1. MODIFICATIONS/AMENDMENTS TO THE SCHEME

1.1 The Transferor Company and the Transferee Company through their respective Board of Directors or other persons, duly authorised by the respective boards in this regard, may make or assent to any alteration or modification to this Scheme or to any conditions or limitations, which the High Court of Bombay and the High Court of Judicature at Madras or any other Competent Authority may deem fit to direct, approve or impose and may give such directions, as they may consider necessary, to settle any doubt, question or difficulty, arising under the scheme or in regard to its implementation or in any manner connected therewith and to do all such acts, deeds, matters and things necessary for putting this Scheme into effect.

1.2 After dissolution of the Transferor Company the Transferee Company by its Board of Directors or other persons, duly authorised by its Board in this regard, shall be authorised, to take such steps, as may be necessary, desirable or proper to resolve any doubts, difficulties or questions, whether by reasons of any order of the High Court of Judicature at Madras or of any directive or order of any other authorities or otherwise, however, arising out of, under or by virtue of this scheme and / or matters concerning or connected therewith.

1.3 The Scheme shall be operative with effect from the APPOINTED DATE.

#### 2. SCHEME CONDITIONAL ON APPROVALS / SANCTIONS

This Scheme is conditional on and subject to ---

2.1 The sanction or approval under any law of the Central Government, State Government, any other agency, department or authorities concerned being obtained and granted in respect of any of the matters in respect of which such sanction or approval is required.

2.2 The approval of and agreement to the Scheme by the requisite majority of such classes of persons of the Transferor Company and the Transferee Company as may be directed by the High Court of Judicature of Bombay at Mumbai and by the High Court of Judicature at Madras on the applications made for directions under Section 391 of the Act for calling meetings and necessary resolutions being passed under the Act for this purpose.

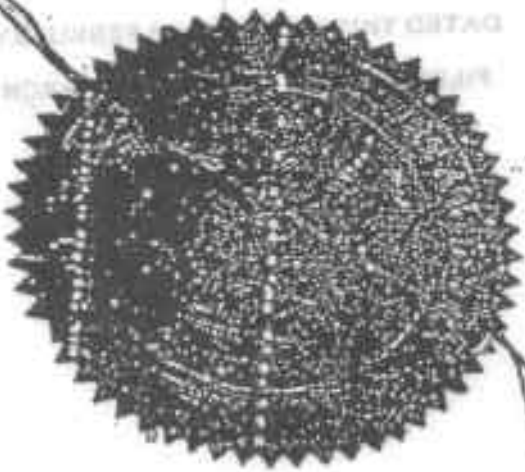
1.3. The sanction by the High Court of Judicature of Bombay at Mumbai and by the High Court of Judicature at Madras under Section 391 and 394 and other applicable provisions of the Act being obtained by the Transferor Company and the Transferee Company as the case may be.

Such other sanctions and approvals as may be required by law being obtained, all necessary certified copies of the orders referred to in the Scheme being filed with the Registrar of Companies, Mumbai and with the Registrar of Companies, Chennai.

In the event of the Scheme failing to take finally, the Scheme shall become null and void and in that event, no rights and liabilities whatsoever shall accrue to or be incurred inter-se by the parties or their shareholders or their creditors or employees or any other person.

**EXPENSES CONNECTED WITH THE SCHEME**

All costs, charges and expenses of the Transferor Company and the Transferee Company respectively in relation to or in connection with negotiations leading up to the Scheme and of carrying out and completing the terms and provisions of this Scheme and in relation to or in connection with the Scheme and incidental to the completion of the amalgamation of the Transferor Company in pursuance of this scheme shall be borne and paid by the respective Companies.



*inscribed no. 10/20/27*

**CERTIFIED TO BE A TRUE COPY**  
This 26<sup>th</sup> day of March 2012  
*[Signature]*  
for Prothonotary and Senior Master

M/S. S. S. & A. (P) LTD.  
Address for the Registrar  
Of S.A. Companies, 1st Floor  
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1st Floor, Mumbai

*M/S. S. S. & A. (P) LTD.*

7580  
2002

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY PETITION NO. 1074 OF 2001  
CONNECTED WITH --  
COMPANY APPLICATION NO. 430 OF 2001

In the matter of Companies Act 1 of 1956;

And

In the matter of Sections 391 & 394 of the Companies Act, 1956;

And

In the matter of Scheme of Amalgamation of Hitech Drilling Services India Ltd with Aban Ltd Chites Offshore Ltd.

Hitech Drilling Services India Ltd. Petitioner

CERTIFIED COPY OF

ORDER SANCTIONING THE SCHEME OF AMALGAMATION

DATED THIS 27TH DAY OF FEBRUARY 2002

FILED THIS 26th TH DAY OF MARCH 2002

Repaid on 26/3/02

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26 MAR 2002