

IN THE HIGH COURT OF JUDICATURE AT ALLAHABAD
ORIGINAL COMPANY JURISDICTION

ANNEXURE No.....9.....

I N

COMPANY APPLICATION No..... OF 2009
[Under Section 391 read with Section 394 of the Companies Act]

IN THE MATTER OF AMALGAMATION OF :

JAYPEE HOTELS LIMITED
JAYPEE CEMENT LIMITED [
JAIPRAKASH ENTERPRISES LIMITED
GUJARAT ANJAN CEMENT LIMITED

WITH

JAIPRAKASH ASSOCIATES LIMITED

DISTRICT : GAUTAM BUDDHA NAGAR

1. JAIPRAKASH ASSOCIATES LIMITED
having its registered office at
Sector - 128, NOIDA- 201304
District Gautam Buddha Nagar, (UP). Transferee Company
2. JAYPEE HOTELS LIMITED
having its registered office at
Hotel Jaypee Palace, Fatehabad Road,
Agra, Uttar Pradesh.Transferor Company No. 1
3. JAYPEE CEMENT LIMITED
having its registered office at
5 Park Road, Hazratganj,
Lucknow 226 001Transferor Company No. 2
4. JAIPRAKASH ENTERPRISES LIMITED
having its registered office at
Sector - 128, NOIDA- 201304
District Gautam Buddha Nagar, (UP). Transferor Company No. 3
5. GUJARAT ANJAN CEMENT LIMITED
having its registered office at
Sector - 128, NOIDA- 201304
District Gautam Buddha Nagar, (UP)Transferor Company No. 4

..... **APPLICANTS**

ANX-9

477

MEMORANDUM
AND
ARTICLES OF ASSOCIATION
OF
JAIPRAKASH ENTERPRISES LIMITED

FRESH CERTIFICATE OF INCORPORATION
CONSEQUENT ON CHANGE OF NAME
NO. 8027

IN THE OFFICE OF REGISTRAR OF COMPANIES,
UTTAR PRADESH
KANPUR

(Under the Companies Act, 1956 (1 of 1956))

IN THE MATTER OF JAYPEE CHEMICALS LIMITED

I hereby certify that UTTRA RASAYAN UDYOG LIMITED, which was originally incorporated on 15th day of APRIL, 1978 under the Companies Act, 1956 under the name UTTRA RASAYAN UDYOG LIMITED (NAME CHANGED TO JAYPEE CHEMICALS LIMITED on 16.1.1985) having duly passed special resolution on 4.4.1988 in terms of Section 21 of the Companies Act, 1956 and the approval of the Central Government signified in writing having been accorded thereto in the letter No. 8027/TC/611 dated 18.4.1988 of the Registrar of Companies, Uttar Pradesh, Kanpur, the name of the said company is this day changed to JAIPRAKASH ENTERPRISES LIMITED and this certificate is issued pursuant to Section 23(1) of the said Act.

Given under my hand at KANPUR this day of 13th May 1988 (One thousand Nine Hundred Eighty Eight).

Sd/-
(S.P. TAYAL)
REGISTRAR OF COMPANIES, U.P.,
KANPUR.

NO. 8027/RC/6652

DATED 13-5-88

COMPANY NO. 8951

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

**IN THE OFFICE OF THE REGISTRAR OF COMPANIES,
DELHI & HARYANA**
(Under the Companies Act, 1956 (1 of 1956))

IN THE MATTER OF UTTRA RASAYAN UDYOG LIMITED

I hereby certify that UTTRA RASAYAN UDYOG LIMITED, which was originally incorporated on 15th day of APRIL, 1978 under the Companies Act, 1956 and under the name UTTRA RASAYAN UDYOG LIMITED, having duly passed the necessary resolution in terms of Section 21 of Companies Act, 1956 and the approval of the Central Government signified in writing having been accorded thereto in the Ministry of Industry & Company Affairs (Company Law Board) Regional Director, Northern Region, Kanpur Endt. letter No. 2722-D/554 dated 16.1.1985 the name of the said Company is this day changed to JAYPEE CHEMICALS LIMITED and this Certificate is issued pursuant to Section 23 (1) of the said Act.

Given under my hand at NEW DELHI this 14TH day of FEBRUARY, 1985 (One thousand nine hundred & EIGHTY FIVE):

Sd/-
(J.N. KAUL)
Addl. Registrar of Companies
Delhi & Haryana

प्रारूप० आई० आर०
Form I. R.

निगमन का प्रमाण-पत्र
Certificate of Incorporation

ता० ८६५१ का सं० साका - १६००
No. 8951 of 1978-79

मैं एतद्वारा प्रमाणित करता हूँ कि आज उत्तरा रसायन उद्योग लिमिटेड कम्पनी अधिनियम 1956 (1956 का 1) के अधीन नियमित की गई है और यह कम्पनी परिसीमित है।

I hereby certify that UTTRA RASAYAN UDYOG LIMITED is this day incorporated under the Companies Act, 1956 (No. 1 of 1956) and that the Company is Limited.

मेरे हस्ताक्षर से आज ता० 25th CHAITRA, 1900 को दिया गया।

Given under my hand at NEW DELHI this FIFTEENTH day of APRIL One thousand nine hundred and SEVENTY EIGHT.

Seal of the Office
of the Registrar of
Companies Delhi &
Haryana

ह०/-
(सु० कुमार)
कम्पनियों का रजिस्ट्रार
Registrar of Companies
Delhi & Haryana

Co.No.8951



Certificate for Commencement of Business

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

I hereby certify that the UTTRA BASAYAN UDYOG LIMITED

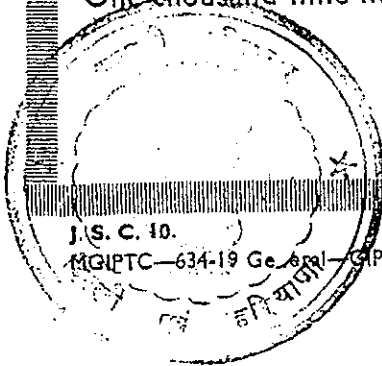
which was incorporated under the Companies Act, 1956, on
the 15TH day of APRIL 1978

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

Given under my hand at NEW DELHI

this FIRST day of JUNE

One thousand nine hundred and SEVENTY-EIGHT




(S. Kumar)

Registrar of Companies.
Delhi & Haryana

Co No 8951



[कम्पनी अधिनियम, 1956 की धारा 18(3)]
[Section 18(3) of Companies Act, 1956]

एक राज्य से दूसरे राज्य में रजिस्ट्रीकृत कार्यालय के अन्तरण को पुष्टि करने वाले न्यायालय के आदेश के रजिस्ट्रीकरण का प्रमाण-पत्र
CERTIFICATE OF REGISTRATION OF THE ORDER OF ~~COMPANY~~ *Company Law Board*
CONFIRMING TRANSFER OF THE REGISTERED OFFICE *Bench*
FROM ONE STATE TO ANOTHER

.....ने विशेष संकल्प द्वारा
रजिस्ट्रीकृत कार्यालय का.....राज्य
से.....राज्य में अन्तरण करके
स्थान की बाबत संगम-ज्ञापन के उपबंधों में परिवर्तन कर दिया है और ऐसे परिवर्तन
को.....तारीख.....
के आदेश द्वारा पुष्टि कर दी गई है।

The...*Jaypee Chemicals Limited*...having by special resolution altered the provisions of its Memorandum of Association with respect to the place of the registered office by changing it from the ~~Urban Territory of Delhi~~ *Urban Territory of Delhi* to the state of...*Uttar Pradesh*...and such alteration having been confirmed by an order of...*C.L.B. Bench vide CP No 47/117/CLB/86*...bearing date the...*21st day of April, 1986*...
मैं एतद्वारा प्रमाणित करता हूँ कि उक्त आदेश की प्रमाणित प्रति इस दिन रजिस्ट्रीकृत कर दी गई है।

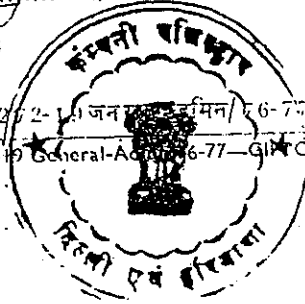
I hereby certify that a certified copy of the said order has this day been registered.

मेरे हस्ताक्षर से यह तारीख.....को दिया गया।

Given under my hand at...*New Delhi*...this...*4th*...day of...*June*...and...*Eighty Six*...*One thousand nine hundred*

जे० एस० सी-6
J.S.C.-6

प्रभासमूटक-2/2-1/1 जनरल अकॉउंट/6-77-भासमूटक-(सी-278)-28-7-76-5.000.
MCIPTC-272-19 General-Account-6-77-GIPTC-(C-278)-28-7-76-5.000.



Asstt.

कम्पनियों का रजिस्ट्रार
Registrar of Companies

Registration No. 8027

Nominal Capital Rs. 5,00,00,000

Form No. 18

NOTICE OF SITUATION/CHANGE OF SITUATION OF REGISTERED OFFICE

[Pursuant to Section 146]

THE COMPANIES ACT, 1956

Name of the Company..... **JAIPRAKASH ENTERPRISES LIMITED**

Notice is hereby given that :-

1. (a) the registered office of the company is situated at.....
.....with effect from.....(date)

(b) the situation of the registered office of the company was changed from **14 Beni Prasad Road, Lucknow**
to **5, Park Road, Hazratganj, Lucknow (U.P.)-226001**, with effect from **18th December, 1991**.....(date)

2. Situation of registered office, falls under the jurisdiction of **Hazratganj**.....
(name of police station)*

For Jaiprakash Enterprises Limited

Signature..... **(SANJAY KUMAR)**.....
Company Secretary

Name.....
(in block letters)

Designation.....

Dated the..... **6th** day of **January** **1992**

*State address of nearest police station, with district and tehsil

IN THE HIGH COURT OF DELHI AT NEW DELHI
(ORIGINAL JURISDICTION)
IN THE MATTER OF COMPANIES ACT, 1956
AND
IN THE MATTER OF AMALGAMATION OF
ALLIED CONSTRUCTION COMPANY PVT. LTD. ...TRANSFEROR
COMPANY
AND
IN THE MATTER OF
JAYPEE CHEMICALS LIMITED ...TRANSFEREE
COMPANY
COMPANY PETITION NO. 165 OF 1985
CONNECTED WITH
COMPANY APPLICATION NO. 986 OF 1985
JAYPEE CHEMICALS LIMITED

an existing Company registered under the Companies Act, 1956 and having its Registered Office at 63, Basant Lok, Community Centre, Vasant Vihar, New Delhi-110 057

PETITIONER
(TRANSFEREE
COMPANY)

Before the Hon'ble Mr. JUSTICE S. B. WAD
DATED THE 13TH DAY OF JANUARY, 1986
ORDER ON PETITION

The above petition coming on for hearing on 13th January, 1986, upon reading the said petition, the order dated 16th October, 1985 whereby the petitioner company was ordered to serve a formal notice of its application viz. C.A. No. 986, of 1985 to its preference shareholder, Jaiprakash Associates (P) Limited, and to convene separate meetings of its equity shareholders and creditors for the purpose of considering, and if thought fit, approving, with or without modifications, scheme of amalgamation of Allied Construction Company (P) Limited (hereinafter referred to as the 'Transferor Company') with Jaypee Chemicals Limited, (hereinafter referred to as the 'Transferee Company') and annexed to the affidavit of Shri O.P. Sharma filed on 14th day of October, 1985 with C.A. No. 986 of 1985, the 'Indian Express' and 'Jansatta' dated 28th October, 1985 each containing the advertisements of the said notice convening the said meetings directed to be held by the said order dated 16th October, 1985, the affidavit of Shri K.K. Sharma filed on 6th day of November, 1985 showing the publication and despatch of notices convening the said meetings, the reports of the chairman of the said meetings dated 29th November, 1985 as to the result of the said meetings and upon hearing Shri N.S. Gupta, Additional Registrar of Companies, Delhi & Haryana, New Delhi for the Central Government, stating that they do not want to make any specific representation in the matter and upon hearing Shri K.M. Sharma, Advocate for the petitioner and it appearing from the reports of the chairman of the meetings that the proposed scheme of amalgamation has been approved unanimously by the shareholders and the creditors of the company present and voting in person or by proxy, and the counsel for the petitioner stating that he has received a telegram from the advocate of the transferor company to the effect that the Allahabad High Court has approved the scheme in relation to the transferor company, THIS COURT DOETH HEREBY SANCTION THE SCHEME OF AMALGAMATION set forth in para 6 of the petition and scheduled I hereto and DOETH hereby declare the same to be binding on the Transferee Company and its all classes of shareholders and creditors.

AND THIS COURT DOTH FURTHER ORDER :-

1. That all the property, rights and powers of the Transferor Company specified in Ist, IInd and IIIrd part of the schedule II hereto and all the other property, rights and powers of the Transferor Company be transferred without further act or deed to the Transferee Company and accordingly the same shall pursuant to Section 394 (2) of the Companies Act, 1956, be transferred to and vest in the Transferee Company for all the estate and interest of the Transferor Company therein but subject nevertheless to all charges now affecting the same; and
2. That all the liabilities and duties of the Transferor Company be transferred without further act or deed to the Transferee Company and accordingly the same shall pursuant to Section 394(2) of the Companies Act, 1956 be transferred to and become the liabilities and duties of the Transferee company; and
3. That all proceedings now pending by or against the Transferor Company be continued by or against the Transferee Company; and
4. That the Transferee Company do without further applications allot to such members of the Transferor Company as is required by Clause 6(a) of the scheme of amalgamation, the shares in the Transferee Company to which they are entitled to, under the said scheme; and
5. That the Transferor Company do within 30 days after the date of this order cause a certified copy of this order to be delivered to the Registrar of Companies, Delhi for registration, and on such certified copy being so delivered the Transferor Company shall be dissolved and the Registrar of Companies shall cause to be placed all documents relating to the Transferor Company, on the file kept by him in relation to the Transferee Company and the files relating to the said two companies shall be consolidated accordingly; and
6. That any person interested shall be at liberty to apply to the court in the above matter for any directions that may be necessary.

SCHEDULE I

SCHEME OF AMALGAMATION AS SANCTIONED BY THE COURT
SCHEME OF AMALGAMATION
OF
ALLIED CONSTRUCTION COMPANY PVT. LTD.
WITH
JAYPEE CHEMICALS LTD.

PRELIMINARY

(A) In this scheme, unless repugnant to the context. 'Transferor Company' means Allied Construction Company (P) Limited a company incorporated under the Companies Act, 1956 and having its registered office at 72, Hazratganj, Lucknow (U.P.)

'Transferee Company' means Jaypee Chemicals Limited, a company incorporated under the Companies Act, 1956 and having its registered office at 63, Basant Lok, Community Centre, Vasant Vihar, New Delhi-110057.

'The Act' means the Companies Act, 1956.

'The Transfer Date' means 1st May, 1985 (or such other date as the High Court of Delhi at New Delhi and/or High Court of U.P. at Allahabad may direct) from which date all the moveable, immoveable and other properties of whatsoever nature including all rights, powers, privileges of every kind, nature and description of the Transferor company shall be transferred and deemed to have been transferred without any further act or deed, to the transferee company. 'The Effective Date' means the date on which the transfer and vesting of the undertaking of the Transferor company shall take effect i.e., the day on which the last of the approvals specified in Clause 11 of the scheme shall have been obtained and certified copies of the order of the High Court of Delhi at New Delhi and that of the High Court of U.P. at Allahabad have been filed with the Registrar of Companies, Delhi & Haryana, New Delhi and the Registrar of Companies U.P., Kanpur.

(B) The Authorised share capital of the Transferor company is Rs. 1,00,00,000/- divided into 1,00,000 equity shares of Rs. 100/- each out of which 20,000 equity shares of Rs. 100/- each fully paid up have been issued at par.

(C) The Authorised share capital of the Transferee company is Rs. 3,00,00,000/- divided into 28,00,000 equity shares of Rs. 10/- each and 20,000 preference shares of Rs. 100/- each out of which 14,70,000 equity shares of Rs. 10/- each and 13,000 preference shares of Rs. 100/- each have been issued and fully paid up at par.

THE SCHEME

1. The undertaking of the Transferor company shall with effect from the transfer date, without further act or deed be transferred to and be vested in or deemed to be transferred to and vested in the Transferee company, pursuant to Section 394 of the Act and for all the estate and interest of the Transferor company but subject nevertheless to all charges, if any, then affecting the undertaking of the transferor company or any part thereof and on the transfer date, the Transferor company shall be deemed to have been amalgamated in the Transferee company as aforesaid.
2. (a) For the purposes of this scheme the undertaking of the Transferor company shall include:-
 - (i) All the properties moveable or immovable, rights, licences and privileges of the Transferor company as on the transfer date.
 - (ii) All the liabilities of the transferor company as on the transfer date.

(b) Without prejudice to the generality of sub-clause (a) hereof, the undertaking of the Transferor company shall include all rights, privileges, powers and authorities and all property, moveable or immoveable, real, corporal or incorporeal in possession or reversion, present or contingent of whatsoever, nature and wheresoever situated including in particular all licences, privileges, patents, trade marks, import quotas held by the Transferor company or to which the Transferor company is entitled to and all debts, liabilities and duties of the Transferor company and all other obligations of whatsoever kind including liabilities for payment of gratuity, pension benefits, provident fund or compensation in the event of retrenchment.

PROVIDED ALWAYS that the scheme shall not operate to enlarge the security for any loan, deposit or facility created by or available to the Transferor company which shall vest in the Transferee company by virtue of amalgamation and the Transferee Company shall not be obliged to create any further or additional security therefor after the amalgamation has become effective or otherwise.

3. If any suit, appeal or other proceedings of whatever nature (hereinafter called 'The proceedings') by or against the Transferor company be pending the same shall not abate, nor be discontinued nor be in any way prejudicially affected by reason of the transfer of the undertaking of the Transferor company or of anything contained in this scheme but the proceedings may be continued, prosecuted and enforced by or against the Transferee company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor company as if this scheme had not been made.
4. (a) The transfer and vesting of the property and liabilities under Clauses 1 and 2, and the continuance of the proceedings by or against the Transferee company under Clause 3 hereof shall not affect any transactions or proceedings already concluded by the Transferor company in the ordinary course of business on and after the transfer date to the end, and intent that the Transferee company accepts on behalf of itself all acts, deeds and things done and executed by the Transferor company.
(b) Until the completion of such transfer of the transferor company, the Transferor Company shall stand possessed of all its properties, so to be transferred to the Transferee company and shall carry on its business for and on behalf of and in trust for the Transferee company and the Transferor company shall account for the same accordingly. Between the transfer date and the effective date, the Transferor company shall not, without the concurrence of the Transferee company alienate, charge or otherwise deal with any of the said assets except in the ordinary course of business.
(c) Any income or profit accruing to the Transferor company and all costs, charges and expenses incurred or loss arising or incurred by it after 1st May, 1985, shall for all purposes accrue and be treated as the income, profits, costs, charges and expenses or loss as the case may be, of the Transferee company.
(d) Until the effective date, neither the Transferor company nor the Transferee company shall issue or allot any right shares or bonus shares out of their respective share capital for the time being.
5. Subject to the other provisions contained in this scheme, all contracts, deeds, bonds, agreements and other instruments of whatever nature to which the Transferor company is a party subsisting or having effect from immediately before the amalgamation, shall be in full force and as effectively as if instead of the Transferor company the Transferee company had been a party thereto.
6. (a) Upon the scheme being approved by the members of the respective companies and sanctioned by the High Court of Delhi at New Delhi and/or by the High Court of U.P. at Allahabad and the transfer of the undertaking of the Transferor company pursuant to Clause I hereof and the amalgamation becoming effective in terms of this scheme, the consideration in respect of such transfer shall, subject to the provision of this scheme, be paid and satisfied by the Transferee company as follows:

(i) The Transferee company shall issue at par and allot to each of the Transferor company shareholders in the proportion of sixty equity shares of Rs. 10/- each in the Transferee

company credited as fully paid up for every one fully paid up equity share of Rs. 100/- each in the Transferor company held by him in the Transferor company on such date after the effective date as the Board of Directors of the Transferee company may determine. For the purpose of such allotment, fractional entitlements, if any shall be ignored, but the share representing fractional entitlements shall be allotted to two nominees of the Transferee company upon trust to sell the shares representing such fractions; and to distribute the sale proceeds (Less expenses) to those Transferor company shareholders who are entitled to such fractions in the proportions to which they are so entitled.

- (ii) The said equity shares in the Transferee company to be issued and allotted to the Transferor company shareholders shall rank pari passu in all respects with the existing equity shares in the Transferee company.
 - (iii) All the members whose names shall appear in the Register of Members of the Transferor company on such date (after the effective date) as the Board of Directors of the Transferee company may determine shall surrender their certificates for cancellation thereof to the Transferee company. In default, upon the new shares in the Transferee company being issued and allotted by it to the Transferor company shareholders whose names shall appear on the Register of Members of the Transferor company on such date as aforesaid, the share certificates in relation to the shares held by them in the Transferor company shall be deemed to have been cancelled.
 - (iv) The Transferee company shall make the allotments pursuant hereto to every shareholder of the Transferor company without further application, the number of equity shares in the Transferee company to which he may be entitled under this scheme.
- (b) On the scheme finally taking effect as aforesaid, all works of the Transferor company shall continue to function as the works of the Transferee company and all agreements entered into by the Transferor company with its clients, Government Departments, bankers, suppliers, agents etc. shall continue to be in full force and effect and may be enforced as fully and effectively as if instead of Transferor company, the Transferee company had been a party thereof.
7. (a) The Transferee company shall take necessary steps for suitable alterations in its Memorandum of Association so as to enable it to implement this scheme.
 - (b) The Transferee company shall cause a Special Resolution to be passed pursuant to Section 81 (1-A) of the Act for the offer and allotment of equity shares in the Transferee company to the Transferor company shareholders in accordance with and subject to the provision of this scheme.
8. Subject to the scheme being sanctioned and an order being made by the High Court of Delhi at New Delhi and by the High Court of U.P. at Allahabad under Section 394 of this Act, the Transferor company shall be dissolved without winding up on the effective date.
 9. All employees of the Transferor company who are in employment of the Transferor company on the effective date in terms of this scheme shall as from such date become the employees of the Transferee company on the basis that their services have not been interrupted by the vesting of the undertaking of the Transferor company in the Transferee company under this scheme and that the terms and conditions of services applicable to them on the effective date as aforesaid will not in any way be less favourable to them than those applicable to them immediately before the effective date as aforesaid.
 10. The Board of Directors of the Transferor company and the Transferee company acting jointly or any person or persons duly authorised by them respectively may consent on behalf of all concerned to any modification of or addition to this scheme or agree to any conditions which the High Court of Delhi and/or High Court of U.P. at Allahabad may think fit to impose and may do all acts, deeds, matters and things necessary or usual for carrying this scheme into effect. After the dissolution of Transferor company, the Transferee company, by its directors be and is hereby authorised to take steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions, whether by reason of any order of the court or of any directive or order of any other authority or otherwise howsoever arising out of, under or by virtue of this scheme and/or any matters connected there with or to carry the same into effect.

11. This scheme is conditional upon the following approvals and the amalgamation shall be deemed to be effective on the date on which the last of such approvals shall have been obtained :-
 - (a) Approval of the Controller of Capital Issues under the Capital Issue Control Act, 1947 to the issue and allotment of shares in the Transferee company to the Transferor company shareholders in terms of this scheme.
 - (b) Approval to the issue and allotment of equity shares in the Transferee company to the Transferor Company shareholders in accordance with and subject to the provisions of this scheme, by a special resolution of the Transferee company pursuant to the Section 8 (1-A) of the Act.
 - (c) The sanction of this scheme by the High Court of Delhi at New Delhi and High Court of U.P. at Allahabad under Section 391 of the Act and appropriate orders being made by the said High Courts pursuant to Section 394 of the Act for the amalgamation under this scheme and for the implementation thereof.
12. The Transferor company and/or the Transferee company shall also obtain such other consents or approvals as may be required under any statute or contract not specifically referred to in this scheme.
13. All costs, charges and expenses of the Transferor company and the Transferee company respectively in relation to or in connection with the negotiations leading upto the scheme and of carrying out and completing the terms and provisions of this scheme and of or incidental to the completion of amalgamation and merger of the undertaking of the Transferor company in pursuance of this scheme, shall be borne and paid by the Transferee company.
14. In case the scheme is not sanctioned by the High Court of Delhi at New Delhi and/or High Court of U.P. at Allahabad for any reason whatsoever or for any other reason this scheme cannot be implemented before 30th April, 1986 or within such further period or periods as may be agreed upon between the Transferor company (by its Directors) and the Transferee company (by its Directors) this scheme will become null and void and in that event no rights and liabilities shall accrue to or be incurred inter-se to the parties in terms of the scheme.
15. Notwithstanding anything contained herein above, the scheme shall also become effective in terms of and upon fulfilling requirements of any other law that may be brought into force in this behalf before this scheme otherwise becomes effective as herein before provided.

SCHEDULE II
SCHEDULE OF PROPERTIES

PART - I

Short description of freehold property of Transferor company (Allied Construction Company Private Limited).

The company is having plant, machinery, motor vehicles, temporary erections, furniture and office equipments and books etc.

PART - II

Short description of the lease hold property of the Transferor company (Allied Construction Company Private Limited).

The company is having a lease hold plot of land as shown in its Balance Sheet.

PART - III

Short description of stocks, shares and other choose-in-action of the Transferor company (Allied Construction Company Private Limited).

The Transferor company is having sundry debtors, loans and advances, margin monies, security deposits, stocks and stores, licences, permits, privileges, other actionable claims and cash and bank balances.

Dated this the 13th day of January, 1986.

(By the Court)
REGISTRAR

IN THE HIGH COURT OF JUDICATURE AT ALLAHABAD

(ORIGINAL JURISDICTION)

IN THE MATTER OF THE COMPANIES ACT, 1956

AND

IN THE MATTER OF ALLIED CONSTRUCTION COMPANY PVT. LTD.

AND

IN THE MATTER OF AMALGAMATION OF ALLIED CONSTRUCTION

COMPANY PVT. LTD. WITH JAYPEE CHEMICALS LTD.

COMPANY PETITION NO. 21 of 1985

CONNECTED WITH

COMPANY APPLICATION NO. 17 OF 1985

ALLIED CONSTRUCTION COMPANY PVT. LTD.

an existing company registered under the Companies Act 1956, and having its registered office at
72, HAZRATGANJ, LUCKNOW (U.P.)

.....PETITIONER

Before Hon'ble Mr. JUSTICE V.K. MEHROTRA

DATED THE 8TH JANUARY 1986

ORDER UNDER SECTION 391-392 AND 394.

The above petition coming on for hearing on 8th January, 1986, upon reading the said petition, the order dated 28th October, 1985, whereby the petitioner company was ordered to convene separate meetings of its shareholders and creditors for the purpose of considering and if thought fit approving with or without modification the scheme of amalgamation of Allied Construction Co. Pvt. Ltd. with Jaypee Chemicals Limited and annexed to the affidavit of Sh. Sanjay Grover filed on the 15th day of October, 1985, with CA No. 17 of 1985, Danik Jagran & Times of India dated 31st October, 1985 and 4th November, 1985, respectively each containing the advertisements of the said notice convening the said meetings directed to be held by the said order dated 28th October, 1985 the affidavit of Shri S.B.L. Srivastava filed the 23rd day of November 1985 showing the publication and despatch of notices convening the said meetings, the report of the Chairman of the said meetings dated 30th November, 1985, as to the result of the said meetings and upon hearing Shri R.S. Dhawan. Counsel for the Central Government and for the Registrar of Companies, U.P., stating that they have not to make any representation, the report dated 18-12-85 of the Official Liquidator to the effect that the affairs of Allied Construction Company Private Limited, have not been conducted in the manner prejudicial to its members and creditors, and upon hearing Shri A.K. Yog, Counsel for the petitioner and it appearing from the reports of the Chairman that the proposed scheme of amalgamation has been approved unanimously by the Shareholders and Creditors of the said Company, present, and voting in person or by proxy, and no objection having been filed by any third party or member either, THIS COURT DOETH HEREBY SANCTION the scheme of amalgamation set forth in para 6 of the petition and SCHEDULE I annexed hereto and DOETH hereby declare the same to be binding with effect from 8th day of January 1986 upon all classes of shareholders and creditors of the above named company.

AND THIS COURT DOTH FURTHER ORDER:

- (1) That all the property, rights and powers of the Transferor company, specified in the first, second and third parts of the Schedule hereto and all the other property, rights and powers of the Transferor company be transferred without further act or deed to the Transferee company and accordingly the same shall pursuant to section 394(2) of the Companies Act, 1956 be transferred to and vest in the Transferee company for all the estate and interest of the Transferor company therein but subject nevertheless to all charges now affecting the same;
- (2) That all the liabilities and duties of the Transferor company be transferred without further act or deed to the Transferee company and accordingly the same shall pursuant to section 394(2) of the Companies Act 1956, be transferred to and become the liabilities and duties of the Transferee company; and,
- (3) That all proceeding now pending by or against the Transferor company be continued by or against the Transferee company; and
- (4) That the Transferee company do without further applications allot to all such members of the Transferor company as is required by clause 6(a) of the Scheme of Amalgamation herein the shares in the Transferee company to which they are entitled under the said scheme; and
- (5) That the Transferor company shall be treated dissolved without formal winding up with effect from the 30th day from the date of the order of High Court of Delhi at New Delhi sanctioning the said Scheme;
- (6) That the Transferor company do comply within 30 days with the requirements of section 394(3) of the Companies Act, 1956 by causing a certified copy of this order to be delivered to the Registrar of Companies for registration and the Transferor company shall stand dissolved with effect from the 30th day from the date of the order of High Court of the Delhi at New Delhi sanctioning the said Scheme and the Registrar of Companies shall place all documents relating to the Transferor company and registered with him on the file kept by him in relation to the Transferee company and the files relating to the said two companies shall be consolidated accordingly; and
- (7) That any person interested shall be at liberty to apply to the court in the above matter for any directions that may be necessary.

SCHEDULE I

SCHEME OF AMALGAMATION AS SANCTIONED BY THE COURT

Scheme as reproduced in schedule I to the order of High Court of Delhi at New Delhi.

SCHEDULE II

SCHEDULE OF PROPERTIES

Description of properties as reproduced in Schedule II to the order of High Court of Delhi at New Delhi.

Dated the 8th day of January, 1986

REGISTRAR

MEMORANDUM OF ASSOCIATION
OF
JAIPRAKASH ENTERPRISES LIMITED
(COMPANY LIMITED BY SHARES)

- I. The name of the Company is Jaiprakash Enterprises Limited.
- II. The Registered Office of the Company shall be situated in the State of Uttar Pradesh.
- III. The objects for which the company is established are:-

(A) MAIN OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION:

1. To manufacture, process, manipulate or otherwise make merchantable, buy, sell or deal in fertilisers, pesticides and chemicals or chemical substances, gases, compounds, derivatives, whether basic, intermediates, by-products or otherwise, organic or inorganic or natural or otherwise required for or needed in connection with agricultural, industrial or pharmaceutical industry.
2. To carry on the business of chemists, druggists, drysalter, formulators, importers and manufacturers of and dealers in pharmaceutical, medicinal compounds, drugs and dyewares.
3. To carry on the business of setting up of Breweries, Distilleries or other plants for the manufacture of Alcoholic products, liquors, aerated and Mineral waters, cordials, soft drinks and all types of Malt and Malt products, including food concentrates, baby food, and maltine, yeast, jams, pickles, ciders, all kinds of condensed milk, cream, butter, cheese, broths and other restoratives or food, specially suitable or deemed to be suitable for invalids and convalescents and allied articles of food and medicinal preparation.
4. To research, design, develop, purchase, import, take on hire, pilot, maintain, manage, exploit, export, sell, distribute, and deal in all types of system software, application software, computer lanes, computer applications, information system packages, resource planning and software manning, processing software, and any other systems and application software used by or involving computers, data processing systems, information technology systems, broadcasting systems, transmission systems of all kinds and types including satellite, wave and underwater communication systems, defence applications or system, electric, electronic, digital and any other advanced innovative systems that may be developed or come into being in the future, aviation and navigational systems and all consumer packages used by educational, domestic, entertainment, industrial, commercial and other sectors in all Indian and Foreign languages and to provide complete solutions in

*Inserted vide E.G.M.
Resolution dated
03.04.2000*

computer operations and related business activities on a CONCEPT TO COMMISSIONING basis including providing of Computer Consultancy Services, Management Consultancy Services, Systems Designing and Implementation, studying and identifying the management information needs & potential areas of computerisation, Manufacture and supply of complete range of Hardware, Multimedia Communication Accessories, Network Installations & Solutions, Maintenance of Computer & Communication Equipment, Solutions to develop Application Software, market System Software, innovative software and software of all kinds and for all uses and for all types of consumers in all Indian and Foreign languages.

*Inserted vide E.G.M.
Resolution dated
03.04.2000*

5. To carry on business of providers of Internet Service, owners and providers of band width, Web sites, Telephone services, satellite based telecom services, value added service providers like video conferencing, e-mail, e-commerce, and providers of all or any other information technology services, providers of facilities for video conferences, Teleconferences, and providers of any other mechanical, electrical, electronic, digital and other innovative communication services, and of all forms and types of entertainment including Audio Programs of all kinds, cable-TV, satellite-TV, satellite direct to home TV operation and to design, develop, purchase, import, take on hire, manufacture or otherwise acquire, own, maintain, manage, repair, alter, sell, export, lease out, let on hire, dispose off and deal in all equipment, accessories required for the above purposes, and to undertake the business of quality certification including testing, certification, quality assurance, consultancy and other related services for all information technology business.

*Inserted vide E.G.M.
Resolution dated
03.04.2000*

6. To research, develop, fabricate, assemble, manufacture, purchase, take on hire or otherwise acquire, own, manage, maintain, repair, alter, process, service, let on hire, sell, lease out or otherwise dispose off and deal in and provide, information gateways, solid state speech based products, micro process based control systems, computers, computer peripherals, computer consumables, telecommunication equipment, satellites, transponders, transmission and broadcasting equipment, switching equipment, telephone switches, wireless apparatus, cables, computers, computer peripherals and accessories, modems, fax machines, televisions, telephones, tele-printers, digital converters, data converters, and all other equipment, instruments, and products used in or required for transmission, communication and information technology including radio receivers, transmitters, image processors, data processors, electromagnetic waves intended for radio, telegraphic, telephonic and other communication purposes, audio and video reproduction, projection and amplification equipment and instruments, accessories and components thereof.

*Inserted vide E.G.M.
Resolution dated
03.04.2000*

7. To produce, assemble, process, develop, own, take on hire, or otherwise acquire, telecast, broadcast, let on hire, maintain, lease out, sell, distribute or otherwise dispose off and deal in educational programs, entertainment programs, computer aided designs, animated films, cinematographic films, advertisements, bulletins, literature and other audio video products for industrial, commercial, domestic and advertisement purposes and to disseminate information relating to any product, activity or other matter in all Indian and Foreign languages.

*Inserted vide E.G.M.
Resolution dated
03.04.2000*

8. To carry on the business and/or activity of imparting education, training in computer software, hardware, office automation, web, Internet, Internet services, multimedia, e-commerce, Enterprise Resource Planning (ERP) development and/or implementation communication systems, or in various other discipline of information technology that may evolve from time to time and management thereof through manual or other computer systems whether in India and abroad and impart training in various disciplines of information technology and management and for

the said purpose establish and run information technology education, research and development institute, establish data processing computer centre, provide consultancy services.

**(B) OBJECTS INCIDENTAL OR ANCILLARY TO THE
ATTAINMENT OF MAIN OBJECTS:**

1. To purchase, manufacture, produce, boil, refine, prepare, import, export, sell and generally to deal in sugar, sugar candy, jaggery, sugarbeet, sugarcane, molasses, syrups, melada and all sugar products such as confectionery, glucose, sugar-candy, golden syrup alcohol and their by-products required in connection with the main objects of the Company.
2. To buy, sell, manufacture, refine, manipulate import, export and deal in all substances, apparatus and things capable of being used in any such business as aforesaid.
3. To enter into technical assistance, trade mark, licence, financial collaboration and to obtain other rights, benefits, technical knowhow and experts advice for the production and manufacture of all kinds of products of the company and to pay such remuneration, royalties, fees, as may be agreed upon and be permissible under the law and otherwise to recompensate the party or the parties concerned for their time and for the services rendered by them.
4. To spend money in experimenting, testing and improving or seeking to improve or exhibit any patents, rights, inventions, discoveries, processes or informations of the company or which the company may acquire or propose to acquire in connection with its business and to establish, equip, provide, maintain and conduct-research and other laboratories connected directly with the Company's business.
5. To carry on business as dealers in, and producers of dairy farm, and garden produce of all kinds and in particular milk, cream, butter, cheese, poultry eggs, fruit and vegetables so as to attain the main objects of the company.
6. To carry on business as cow-keepers, farmers, millers and market gardeners connected with the main objects of the Company.
7. To manufacture, import, export, repair, renovate and deal in refrigerators, frigidaires and other cooling apparatus and appliances, machinery and plants needed for the industries mentioned in the main objects of the Company.
8. To store, export or import fruit, butter, milk and all kinds of food products whether vegetable or animal in connection with the main objects of the Company.
9. To import and export, all kinds of chemicals or chemical substances, gases, compounds, synthetics, derivatives, whether basic, intermediates by-products or otherwise, organic or inorganic or natural or otherwise required for or needed in the attainment of the main objects of the Company.
10. To acquire and take over by grant, licence or any other terms, licences, formulae and other rights and benefits, receipts and full information as to the process of manufacturing medicinal preparation, restoratives and foods for sick, invalids and convalescents.
11. To establish branches or agencies for carrying on the business of the company at any place in the Indian Territory or abroad and to employ agents for conducting such business or agencies.
12. To enter into any partnership or into any arrangements for sharing of profits, cooperation, amalgamation, union of interest, joint ventures, reciprocal concessions or otherwise with any Government authority, person, firm or Company

carrying on or engaged in or about to carry on or engage in any business or transaction which this company is authorised to carry on or engage in, or any business undertaking or transaction which may seem, capable of being carried on or conducted, as directly or indirectly, to benefit the company.

13. To initiate, organise, conduct, and manage the business or trades of gin, rum, whisky, brandy, spirits and carry on business of general distillers, compounders and processors, rectifiers; merchants, exporters, importers, brokers, bottlers, sales agents, commission agents, and general traders in relation to the advertising, marketing and distributing in India and abroad, spirits, wines, liquors and all other products and by products derived and generally to engage in undertaking, performing and carrying on all or any of the functions, duties that are ordinarily or particularly undertaken by distillery proprietors, alcoholic and food product manufacturers.
14. To act as bottle makers, bottle stopper makers, coopers, manufacturers of boxes; cartons, paper and other bags and packing receptacles and labels generally, and to carry on the business of bottlers, processors, canners, packers and providers of all kinds of goods, products, or wares, necessary, ancillary or desirable for use in connection with the business of the Company.
15. To adopt such means of making known the products of the Company as may seem expedient, and in particular by advertising in the press, by circulars, by purchase and exhibition of works of art or interest, by publication of books and periodicals, and by granting prizes, rewards and donations.
16. To acquire and take-over all or any of the business, property and liabilities of any person or Company carrying on or possessing any property suitable for the main business of the Company.
17. To promote any company or companies for the purpose of acquiring by sale, purchase or otherwise all or any part of the business, property, rights and liabilities of this company or for any purposes which may seem directly or indirectly calculated to benefit the Company.
18. To remunerate any person or company for service rendered in placing or assisting to place or guaranteeing the placing of any of the share capital of the Company or other securities of the Company, or in or about in the formation or promotion of the Company or the conduct of its business.
19. To engage, employ, suspend or dismiss agents, managers, assistants, clerks and other servants of the Company and to remunerate such persons as may be deemed expedient by the Company.
20. To pay out of the Company's funds the costs and expenses incurred in connection with all matters preliminary and incidental to the formation, promotion and incorporation of this Company and the costs and expenses incurred in connection with all matters preliminary and incidental to the formation and incorporation of any Company which may be promoted by this Company.
21. To take or otherwise acquire and hold shares in any other company having objects altogether or in part, similar to those of this Company or carrying on any business capable of being conducted so as to directly or indirectly to benefit this Company.
22. To enter into contract with the Government, Central or State, Railways, Supreme, Municipal, Local or other authorities for the supply of any material or goods, manufactured or dealt by the Company.
23. To enter into any arrangement with the Government or authorities Supreme, Municipal, Port Trust, Railways, District or Local Boards, Civil, and Military

- authorities, or otherwise that may seem conducive to the Company's objects or any of them and to obtain from any such Government or authorities any rights, privileges and concession which the Company may think it desirable to obtain and to carry out, exercise and comply with any such arrangements, rights, privileges and concessions.
24. To pay for any properties, rights or privileges acquired by the Company either in shares of the Company or partly in shares and partly in cash or otherwise.
 25. To sell the undertaking of the Company or any part thereof for such considerations as the Company may think fit and in particular for shares, debentures or securities of any other Company having objects altogether or in part similar to those of this Company.
 26. To establish and support or aid in the establishment and support of associations, institutions, funds, trusts and conveniences, calculated to benefit the employees or ex-employees of the Company (or its predecessors in business) or the dependents or connections of such persons and to grant pensions and allowances and to make payments towards provident Funds and Insurances, and to subscribe or guarantee money for charitable or benevolent objects or for any exhibition, or for any public, general or useful object.
 27. To invest and deal with the money of the Company not immediately required, in any investment movable or immovable in such manner as may from time to time seem expedient and to be determined, as also to lend money and to make advances to or make deposit with such persons, firms, companies own shareholders and on such terms as may seem expedient and in particular to or with customers and others having dealings with the Company and to guarantee the performance of contracts by any such persons, firms or companies.
 28. To open any kind of account in any bank and to make, accept, endorse and execute promissory notes, bills of exchange and other negotiable instruments.
 29. To borrow or raise or secure the payment of money in such manner as the Company shall think fit, and in particular by the issue of mortgages or debentures, or debenture stock, perpetual or otherwise charged upon all or any of the Company's property (both present and future) including its uncalled capital and to redeem or pay off such securities.
 30. To draw, make, accept, endorse, seal, execute, negotiate, purchase, lend money upon discount, hold and dispose of cheques, promissory notes, bills of exchange, hundies drafts, charter parties, bills of lading, warrants, debentures and other negotiable documents and to contract deeds and other negotiable documents and other instruments, and to cancel and vary such instruments which may become necessary during the course of the business of the Company.
 31. To sell, improve, manage, develop, exchange, lease, mortgage, dispose of, turn to account, or otherwise deal with all or any part of the property and rights of the Company.
 32. To refer to arbitration and to institute, defend, compromise, withdraw or abandon any legal or other proceedings and claims, by or against the Company, by or against its officers or otherwise concerning the affairs of the Company.
 33. To create any reserve fund, sinking fund or any other special fund whether for depreciation or for repairing, improving, extending or maintaining any of the property of the Company or for any other purposes conducive to the interest of the Company.

34. To indemnify members, officers, directors, secretaries and servants of the Company against proceedings, damages, claims and demands in respect of anything done or ordered to be done by them for and in the interest of the Company or for any loss, damages, or misfortune whatsoever which shall happen in the execution of the duties of their offices in relation hereto.
35. To purchase, take on lease or otherwise to acquire lands and to purchase, construct erect or set up buildings, factories, works godowns and premises, and to buy and set up, repair, alter and deal in plants, machinery, tools and implements, vehicles, furnitures and fixtures, and materials and articles of all kinds which are capable of being used for the purpose of any business herein mentioned or needed or likely to be required by customers of any such business.
36. Generally to do all other things as may appear to be incidental or conducive to the attainment of the above objects or any of them.
37. To do all or any of the above things in any part of the world, either as principals, agents, trustees, contractors or otherwise and either alone or in conjunction with other and to do all such other things, which are incidental or conducive to the attainment of the above objects.

(C) OTHER OBJECTS :—

1. To carry on business as timber merchants, saw-mill proprietors and timber growers and to buy, sell, grow, prepare for market, manipulate, import, export and deal in timber and wood of all kinds and to manufacture and deal in articles of all kinds in the manufacture of which timbers or wood is used, to buy, clear, plants and work timber estates.
2. To carry on the business of manufacture of pulp, paper, boards and paper products.
3. To carry on any business relating to the winning and working of minerals, the production and working of metals, coal, bricks, clay, limestone and other substances.
4. To carry on the business of spinners, weavers, manufacturers, balers and pressers of jute cuttings, jute rejections, hemp, cotton, cotton textiles and any other fibrous (natural or chemical) materials, and the cultivation thereof, and the business of buyer, sellers, and dealers of jute, jute cutting, jute rejections, jute manufacturing, hemp and any other fibrous materials, oil seeds and any other seeds and product and of goods or merchandise made thereof and to transact all manufacturing or cutting and preparing process and mercantile business that may be necessary or expedient and to purchase and vend raw materials and manufactured articles.
5. To establish maintain and carry on the business of growers, cultivators, planters, blenders, buyers, sellers, exporters, importers of and dealers in Tea, Coffee, Cinchone, Rubber, Jute, Cereals, Oilseeds, Cotton, Sugarcane, Vegetable products and plants.
6. To carry on the business of farming in all its branches, to carry on the business of arable and fruit farmers, Millers and Manufacturers of cereals products, manufacturing and selling by wholesale or retail of flour and for such purpose to carry on the business of canning and manufacturing bottles, containers, packages and packaging materials of all types and to purchase or acquire any freehold or leasehold property, orchards, farms or any estate or interest therein.
7. To carry on in India or elsewhere the business of manufacturers, commission agents, importers and exporters or dealers in and stockists of all kinds of Iron and Steel Products, Hardwares, Tin Plates, Machinery and tools.

8. To carry on the business of carriers by land or water, shipping agents, insurance agents, or manufacturers, mine owners, mercantile agents, and any kind of commercial, financial and agency business.
9. To carry on the business of Iron-founders, Electric and Blast furnace proprietors, mechanical engineers, manufacturers of machinery and implements of all kinds, tool makers, metal workers, boiler workers, mill-wrights, iron and steel converters, smiths, builders, painters, metallurgists, electrical engineers, water works engineers, manufacturers and suppliers of atomic power and gas generators.
10. To carry on the business of manufacturers of steel strips, tubes, pipes, fittings of steel, brass, copper, cast iron and stainless steel, hardware, mill stores, billets rolling and rerolling of steel, sanitary ware and sanitary fittings of all kinds, electrical goods of all kinds, automobile components, agricultural implements, tools and implements of all kinds, precision equipments, machines and jigs and their component parts.
11. To carry on the business or businesses of manufacturers of ferrous and non-ferrous castings of all kinds and in particular chilled and malleable castings, special alloy castings and steel castings.
12. To manufacture bolts, nuts, buckets, karais, gate channels, and carry on the business of fabrication of steel and its by-products.
13. To carry on the business of manufacturing utensils and goods of metals and alloys, brass founders, metallurgists and to manufacture, repair, alter, let on hire, and deal in machinery and implements.
14. To carry on business of mechanical fitters, wire drawers, galvanizers, annealers and enamellers.
15. To carry on business of manufacturing bicycles and things for use in sports or games.
16. To sink wells and shafts, lay down pipes, construct, improve, maintain, develop, work, manage, carry out or control any roadways, tramways, runways, branches or siding bridges, telegraph lines, canal reservoirs, water courses, wharves, sheds, hydraulic works, electric works and factories, power houses, cooly lines and houses and villages.
17. To carry on the business of manufacturers and dealers in oxygen, actylene and other industrial gases, gas cylinders and manufacturers and moulders of plastic products.
18. To construct, maintain, improve, develop, control, and manage any waterworks, gas works, reservoirs, roads, electric power, heat and light supply works, hotels, clubs, restaurants, baths, place of amusement, pleasure grounds, parks, gardens, reading rooms, stores and shops.
19. To carry on the business of manufacturers of all kinds of electrical machinery and electrical apparatus for any purpose whatsoever and to manufacture, sell supply and deal in accumulators, lamps, meters, engines, dynamos, batteries, telephonic or telegraphic apparatus of any kind and manufacturers of and dealers in scientific instruments of any kind.
20. To carry on business of painters, water supply engineers, gas makers, printers, carriers and merchants.
21. To buy, sell, manipulate and deal both wholesale and retail in commodities, articles and things used in Construction of Building, Roads, Dams and Barrages.
22. To carry on the business of ice makers, ice dealers, refrigerating store-keepers, to establish, purchase of otherwise acquire, run, conduct and operate, cold storage warehouse, dry-storage warehouses, bonded warehouses for the preservation, storage and treatment of merchandise.
23. To carry on the business of refrigerating agents.

- Inserted vide E.G.M.
Resolution dated
25.04.1985
and confirmed by
Company Law
Board Order dated
4.9.1985*
24. To carry on in India or elsewhere the business of civil Engineering Construction and to act as builders, Civil, Mechanical and Electrical contractors of all types and description, engineers, Consultants, Miners and job makers.
- Inserted vide E.G.M.
Resolution dated
25.04.1985
and confirmed by
Company Law
Board Order dated
4.9.1985*
25. To carry on the business of hire purchase or to give on hire, machinery and vehicles, in India or abroad.
- Inserted vide E.G.M.
Resolution dated
25.04.1985
and confirmed by
Company Law
Board Order dated
4.9.1985*
26. To layout, design, develop, build, construct, erect, alter, improve, maintain, enlarge, demolish, remove, repair, remodel, replace and to do any other work in connection with Canals, Drainages, Culverts, Barrages, Tunnels, Sewers, Sewerage Schemes, Dams, Bridges, Roads, Buildings or Building Schemes, Town-Ships, Offices, Factories, Industrial Plants and Structures, Springs, Power Plants, Ports, Docks, Harbours, Piers, Wharves, Reservoirs, Embankments, Railways, Tramways, Ropeways, Irrigations, Reclamations, Sanitary Water, Gas Tunnels, Oil Pipelines, Furnaces, Kilns, Mills, Shops, Stores, Roadways, Warehouses, Water Works, Earthworks, Gardens, Parks or any other Civil, Mechanical and Electrical works all over the world or any other works and conveniences including construction and exhibition of cinema and to contribute, subsidise, take part in or otherwise assist or to construct, improve, maintain work, manage, carry out, control and finance multistorey buildings and to sell or otherwise dispose of the same on ownership or instalment basis.
- Inserted vide A.G.M.
Resolution dated
29.10.1986
and confirmed by
Company Law
Board Order dated
3.8.1987*
27. To purchase or otherwise acquire, maintain, sell and give on lease all kinds of construction and mining machinery, all kinds of plants, machinery, motor, vehicles, medical equipments, air conditioners, and refrigeration plants, air conditioning plant, office equipments, computers, furniture and fixtures, television, videos, electronic equipments, household equipments, appliances or any other equipments or assets that the company think fit.
- Inserted vide E.G.M.
Resolution dated
30.5.1989
and confirmed by
Company Law
Board Order dated
12.9.1989*
28. To carry on the business of manufacturers, producers, refiners processors, exporters, importers, buyers and sellers of, and dealers in all kinds of paints, namely lacquers, enamels, varnishes, distempers, dry colours, disinfectants, turpentine, painting brushes and rollers, water proofing cement compounds, powder coating, industrial paints, and fire retardent coatings, sealant coatings, surface preparations, surface protective and preserving coatings, pretreatment chemicals, electroplating chemicals, electro phatic coatings, paints and all allied items connected therewith.
- Inserted vide E.G.M.
Resolution dated
30.5.1989
and confirmed by
Company Law
Board Order dated
12.9.1989*
29. To carry on the business of manufacturers, processors, producers, growers, makers, importers, exporters, buyers, sellers, suppliers, stockists, agents, merchants, distributors and concessionaires in and to process, prepare, preserve, can, refine, pack, bottle, buy, sell, and deal in all kinds of foods and food products, food grains, vegetables and its derivatives, fruits and fruit products, dairy products, meats, sea foods, poultry products, protein, health and instant foods, tonics, biscuits, breads, confectionaries, breakfast foods and food stuffs.
- Inserted vide A.G.M.
Resolution dated
29.9.1998*
30. To run, manage, administer and render professional services in India and abroad by providing personnel, consultants, advisers, managers, administrators, to and for the benefit of any individual, firm, trust, association, society, company, corporation, body corporate, organisation or institution on all matters relating to running, managing, administering industrial and labour relations, security, administration,

recruitment, selection, labour welfare, training of officers and/or managerial, administration, technical, supervisory and other personnel and generally to render consultancy and personnel services relating to administration, production, storage, procurement, accounts, marketing, selling and distribution, transportation, computerisation, secretarial including transfer agents, issue house, development of systems and procedures, organise training programmes, prepare feasibility studies, project reports, project design and layout, financial budget and budgetary controls, advice on taxation, legal matters, company promotion, formation and registration and capital issues and for such matters lining to make available on suitable terms the services of Company's technicians, experts and other personnel, with such tools, implements, equipments, machines as are suitable for such jobs.

31. To lend and advance money or give credit to such persons, companies, corporations or firms and on such terms as may deem expedient and in particular to customers and others having dealings with the Company and to release or discharge any debt or obligation owing to the Company. *Inserted vide A.G.M. Resolution dated 29.09.1998*
32. To construct, design, execute, develop, set-up, maintain, operate, undertake, erect, establish, carryout, improve, repair, work, own, administer or manage on commission or on 'Build- Operate Transfer (BOT) basis' or otherwise, power projects Hydro-electric or Thermal, roads, residential/commercial complexes, highways, bridges, airports, ports, rail systems, water supply projects, irrigation projects, water treatment systems, solid waste management system or sanitary and sewerage management system or any other public utility or facility service of all kinds and all incidental activities connected therewith in India or abroad. *Inserted vide Postal Ballots Resolution dated 01.02.2007*
33. To carry on the business of purchasing, marketing, selling, importing, exporting, producing, trading, transmitting, distributing, supplying or otherwise dealing in all aspects of Thermal, Hydro, Nuclear, Solar, Wind power and power generated through Non-conventional/Renewable Energy sources including construction, generation, operation & maintenance, renovation & modernization of Power Stations and Projects and also to undertake the business of other allied/ancillary industries including those for utilization/ sale/ supply of steam and ash generated at power stations, and other by-products and install, operate and manage all necessary plants, items of equipment, cables, wires, lines, establishments and works. *Inserted vide Postal Ballots Resolution dated 01.02.2007*
34. To carry on the business of exploring, developing, drilling, refining, distilling, purifying, converting, blending, purchasing, receiving, importing, storing, manufacturing, producing, processing, marketing, selling, exporting, distributing, trading, supplying, organising, exploiting, liquefaction, re-gasification, compression, beneficiation and transporting by rail/road, surface, sea, air petroleum/hydrocarbons/gaseous resources, proving and estimating the reserves thereof and implementing programme for the efficient development of and deal in all kinds of petroleum products/services, hydrocarbons by whatever name called, oil and other related liquid and gaseous substances and all other kinds/natures of fuels including, but not limited to, naphtha, natural gas (NG), compressed natural gas (CNG), liquefied natural gas (LNG), associated gaseous substances, coal-bed methane etc. in all its aspects and in all their respective branches and also to undertake the business of other allied/ancillary industries including any by-products/co-products from any of the products, which the company is authorized to deal in and to own, acquire by purchase, lease, license, grant or otherwise, to set up, participate in setting up, install, operate and manage all necessary plants/facilities equipment, wells, platforms, derricks, rigs, warehouse, depots, ports, wharves, jetties, quay, terminals, compressors, stations, vessels, ships, railway lines, tankers, trucks, wagons, pipelines, storage and infrastructure facilities, establishments and works in India and abroad including from the sea or ocean bed in *Inserted vide Postal Ballots Resolution dated 01.02.2007*

national or international waters in relation to any or all of the above areas of business and to acquire and maintain drilling rights, exploration and production rights, rights of ways and other rights/interests of all descriptions.

*Inserted vide Postal
Ballots Resolution
dated 01.02.2007*

35. To undertake prospective work of mining of coal/ lignite/ coke and select suitable coal/lignite/coke blocks/sub blocks for grant of prospective license and mining lease, development of coal/lignite/ coke block(s) including drilling, feasibility studies and assessment of mine blocks, mining, survey and preparation of mine plans, to own mines/washeries, to raise stock and despatch coal/lignite/ coke, to mine coal/lignite/ coke either in open cast process or underground process and to implement, operate, produce, handle including screening and sizing, transporting and supplying coal/lignite/ coke from the mine(s) and to install and operate coal beneficiation plant(s) at suitable places and to undertake all other acts related to the activity as such.

*Inserted vide Postal
Ballots Resolution
dated 01.02.2007*

36. To purchase, hold, take on lease or on royalty basis or otherwise acquire mines, mining lease, mining licenses, mining rights, mining claims and metalliferous lands or any interest therein and to explore, prospect, search, work, exercise, develop, cut, treat, line, beneficiate and to turn to account, ores, all sorts of major and minor minerals, working deposits of all kinds of minerals and sub-soil minerals viz. coal, lignite, iron ore, bauxite, manganese, silica, copper, tin, felspar, dolomite, nickel, sulphur, gold, silver, diamond, chromium, rock, phosphates, manganese, quartz, mercury, kyanite, fire clay, calcium, beryllium, zinc, lead, asbestos, mica, platinum, sapphire, ruby, topaz, garnet, emerald and to crush, win, set, quarry, smelt, calcine, refine, dress, preserve, amalgamate, manufacture, manage, manipulate and prepare for market, import, export, buy, sale, store, process, supply, trade in and otherwise deal in ore, metal and mineral substances of all kind and to carry on metallurgical operations in all its branches and to import, export, purchase, sell, repair, assemble, supervise, install, or otherwise deal in all types of mining machines, tools and implements, smelters, crushing machines, furnaces and other items of equipments.

*Inserted vide Postal
Ballots Resolution
dated 01.02.2007*

37. To produce, manufacture, treat, process, prepare, refine, import, export, purchase, sell and generally to deal in either as principals or as agents either solely or in partnership with others, all types and kinds of cement, ordinary, white, coloured, Portland, Pozzolana, Alumina, Blast furnace, silica and all other varieties of cements, lime and limestone, clinker and / or by-products thereof, as also cement products of any or all descriptions, such as pipes, poles, slabs, asbestos sheets, blocks, tiles, garden-ware, plaster of Paris lime pipes, building materials, and otherwise, and articles, things, compounds and preparations connected with the aforesaid products and in connection therewith to take on lease or otherwise acquire, erect, construct, establish, work, operate and maintain, factories, undertakings, quarries, mines and workshops.

*Inserted vide Postal
Ballots Resolution
dated 01.02.2007*

38. To carry on all or any of the business as manufacturers and sellers of and dealers and workers in cements of all kinds, lime, plasters, whiting, clay, gravel, sand minerals, earth, coke, fuel, gypsum, coal, jute, hessian cloth, gunny bags, paper bags, artificial stone and all builders' requisites made out of cement and cement products and conveniences of all kinds and to import, export, purchase, sell, repair, assemble, supervise, install or otherwise deal all types of cement manufacturing and lime stone mining machineries, tools and implements, smelters, boilers, crushing machine and furnaces."

(IV) The liability of the members is limited.

*Amended vide E.G.M.
Resolution dated
25.4.1985, A.G.M.
Resolution dated
29.10.1986 and
E.G.M. Resolution
dated 27.10.2007*

(V) The Authorised Share Capital of the Company is Rs. 30,00,00,000/- (Rupees Thirty crores) divided into 2,98,00,000 (Two Crores ninety eight lacs) Equity Shares of Rs. 10 each and 20,000 9% Cumulative Preference shares of Rs. 100/- each.

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

	Name of Subscribers	Address and Description of Subscribers	Number of equity shares taken	Signature	Name, Address & Description of Witness
1.	Pawan Kumar Jain S/o Shri Sumat Prasad Jain	3-Rajendra Place, Distt. Centre, New Delhi-110 008 Business	10 (Ten)	Sd/-	<p>I witness the signatures of all the Subscribers</p> <p>Sd/- (L.C. Gupta) Chartered Accountant M. No. 5122 C/o Dass Gupta & Co. 122-124, Model Basti, New Delhi-110 005</p>
2.	Jaiprakash Gaur S/o Shri Baljeet Singh Sharma	A-9/27, Vasant Vihar, New Delhi-110 057. Business	10 (Ten)	Sd/-	
3.	S.K. Jain S/o Shri Sumat Prasad Jain	B-1/12, Vasant Vihar, New Delhi-110 057 Business	10 (Ten)	Sd/-	
4.	B.M. Bansal S/o Shri Bhagwati Prasad	Station Road, P.O. Sabalgarh, Distt. Morena (M.P.) Business	10 (Ten)	Sd/-	
5.	Gyan Prakash Gaur S/o Shri Baljeet Singh Sharma	E-7/10A, Vasant Vihar, New Delhi-110 057 Business	10 (Ten)	Sd/-	
6.	D.G. Kadkade S/o Shri Gopal Damodar Kadkade	16-Lytton Road, Dehradun (U.P.) Civil Engineer Business	10 (Ten)	Sd/-	
7.	Ajeet Kumar Jain S/o Shri Darbari Lal Jain	372, Civil Lines, Jhansi (U.P.) Business	10 (Ten)	Sd/-	
8.	N.C. Sharma S/o Late Shri Chandan Singh	Civil Lines, Opp. Distt. Hospital Bulandshahr (U.P.) Business	10 (Ten)	Sd/-	
		TOTAL	80 (Eighty)		

New Delhi

Dated this 28th day of February 1978.

THE COMPANIES ACT, 1956
ARTICLES OF ASSOCIATION
OF
JAIPRAKASH ENTERPRISES LIMITED

1. The regulations contained in Table A, in the first Schedule to the Companies Act, 1956, shall not apply to this Company, but the regulations for the management of the Company and for the observance by the members thereof and their representatives shall, subject to any exercise of the statutory powers of the Company in reference to the repeal or alteration of, or addition to its regulations by Special Resolution, as prescribed by the said Companies Act, 1956, be such as are contained in these Articles, unless the same are repugnant or contrary to the provisions of the Companies Act, 1956 and the said Table 'A'.

Table 'A' not to apply but company to be governed by these Articles

INTERPRETATION

2. In the interpretation of these Articles the following expression shall have the following meaning, unless repugnant to the subject or context :-

Interpretation clause

"The Act", or "the said Act" means "The Companies Act, 1956" as amended upto date or other Act or Acts for the time being in force in India containing the provisions of the Legislature in relation to Companies.

"The Act" or "the said Act"

"Beneficial Owner" means the beneficial owner as defined in clause (a) of the Sub-section (1) of Section 2 of the Depositories Act, 1996.

"Beneficial Owner"
Inserted vide A.G.M.
Resolution dated
29.09.2006

"Depository" means a Depository as defined under clause (e) of Sub-section (1) of Section 2 of the Depositories Act, 1996.

"Depository"
Inserted vide A.G.M.
Resolution dated
29.09.2006

"SEBI" means Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992.

"SEBI"
Inserted vide A.G.M.
Resolution dated
29.09.2006

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

"The Board" or
"The Board of
Directors"

"The Company" or "This Company" means Jaiprakash Enterprises Limited

"The Company" or
"This Company"

"Directors" means the Director for the time being of the Company or as the case may be, the Directors assembled at a Board.

"Directors"

"Dividend" includes bonus.

"Dividend"

"Gender"	Words importing the masculine gender also include feminine gender.
"Month"	"Month" means a Calendar month.
"Office"	"Office" means the Registered Office for the time being of the Company.
"Persons"	"Persons" includes corporations as well as individuals.
"Plural Number"	Words importing the plural number also include the singular number.
"Singular Number"	Words importing the singular number include the plural number.
"These presents" or "Regulations"	"These presents" or "Regulations" means these Articles of Association as originally framed or altered from time to time.
"Seal"	"Seal" means the Common seal for the time being of the Company.
"In writing" and "Written"	"In writing" and "Written" shall include printing and lithography and any other modes of representing or reproducing word in a visible form.
"Expression in the Act to bear the same meaning in Articles"	Subject as aforesaid any words or expressions defined in the Act shall except where the subject or context forbids, bear the same meaning in these Articles.
"Marginal Notes"	The marginal notes hereto shall not affect the construction hereof.
Copies of Memorandum & Articles of Association to be given to members	3. Copies of the Memorandum and Articles of Association and other documents mentioned in Section 39 of the Act shall be furnished by the Company to any member at his request within seven days of the requirements subject to the payment of a fee of Rupee One.

COMMENCEMENT OF BUSINESS

Commencement of business	4. The company shall not commence business or exercise any borrowing powers until the requirements of section 149 of the Act shall have been complied with.
Capital <i>Amended vide E.G.M. Resolution dated 25.04.1985</i>	5. The Share Capital of the Company shall be such amount and be divided into such shares as may from time to time provided in Clause V of the Memorandum of Association with power to increase or reduce the capital and divide the shares in the capital of the company for the time being into Equity Share Capital and Preference Share Capital and to attach thereto respectively any preferential, qualified or special rights, privileges or conditions as may be determined in accordance with these presents and to modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be permitted by the said Act.
Restriction on allotment	6. The Board shall observe the restrictions as to allotment contained in Section 69 and 70 of the Act, as the case may be, and shall cause to be made the returns as to allotment according to Section 75 of the Act.
Shares under the control of the Directors	7. Subject to the provisions of the Act and of these Articles, the shares in the capital of the company for the time being (including any shares forming part of any increased capital of the Company) shall be under the control of the Directors who may allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or (subject to compliance with the provisions of Section 79 of the Act) at a discount and at such time as they may from time to time think fit and proper, and with full power to give to any person the option to the allotted shares of the company either at par or at a premium, or subject as aforesaid, at a discount such option being exercisable at such times and for such consideration as the Directors think fit, provided that the option or right for allotment of shares shall not be given to any person or persons without any sanction of the Company in general meeting.

8. In addition to and without derogating from the power for the purpose conferred on the Directors under Article 7, the Company in general meeting may by special resolution determine to issue further shares out of the authorised but unissued capital of the company and may determine that any shares (whether forming part of the original Capital or of any increased capital of the Company) shall be offered to such persons (whether members or holders of debentures of the company or not) in such proportion and on such terms and conditions and either at a premium or at par or, subject to compliance with the provisions of section 79 of the Act, at a discount as such general meeting shall determine and with full power to give any person (whether a member or holder of debentures of the company or not) the option to be allotted shares of any class of the Company either at a premium, or at par or (subject to compliance with the provisions of Section 79 of the Act) at a discount, such option being exercisable at such times and for such considerations as may be directed by such general meeting or the Company in general meeting may make any other provision whatsoever for the issue, allotment or disposal of any shares. Subject to any direction given by the Company in general meeting as aforesaid the provision of the Article 68 hereof shall apply to any issue of new shares.
9. Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the capital of the Company in payment or part payment for any property or assets of any kind whatsoever (including the goodwill of any business) sold or transferred, goods or machinery or know-how supplied, or for services rendered to the company either in or about the formation or promotion of the company or the conduct of its business and any shares which may be so allotted may be issued as fully paid up or partly paid up in cash, or otherwise than in cash, and if so issued shall be deemed to be fully paid up or partly paid up shares as aforesaid. The Directors shall cause returns to be filed of any such allotment as provided by Section 75, of the Act.
10. The shares in the Capital of the Company shall be numbered progressively according to their several denominations and except in the manner hereinafter mentioned, no share shall be sub-divided.
11. An application signed by or on behalf of an applicant for shares in the company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles and every person who thus or otherwise accepts any shares and whose name is entered on the Register shall, for the purpose of these Articles, be a member.
12. The money (if any) which the Directors shall on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them, shall, immediately on the insertion of the name of the allottee in the Register of Members as the holder of such share, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.
13. If by the conditions of allotment of any shares the whole or part of the amount or issue price thereof shall be payable by instalments, every such instalments shall, when due, be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative.
14. Except when required by law or ordered by a Court of Competent jurisdiction, the Company shall not be bound to recognise any person holding any share upon any trust and the Company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any fractional part of a share, or (except only by these
- Power of General meeting to offer shares to such persons as the company may resolve
- Director may allot shares as fully paid up
- Shares to be numbered progressively
- Acceptance of shares
- Deposit and Calls to be debt payable immediately
- Instalments of shares to be duly paid
- Company not bound to recognise any interest in shares other than that of the registered holders

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

UNDERWRITING AND BROKERAGE

Commission for
placing share
debenture

15. The Company may subject to the provisions of section 76 and other applicable provisions (if any) of the Act, at any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe or his procuring or agreeing to procure subscriptions, whether absolutely or conditionally for any shares in or debentures of the Company provided that the amount or rate of commission does not exceed in the case of shares 5% of the price at which the shares are issued and in the case of debentures 2.5% of the price at which the debentures are issued. The Commission may be satisfied by the payment of cash or the allotment of fully or partly paid up shares or debentures or partly in the one and partly in the other. The Company may also on any issue of shares or debentures pay such brokerage as may be lawful.

CERTIFICATES

Certificates of
Shares

16. The Certificates of title to the shares shall be issued under the Seal of the Company which shall be affixed in the presence of and signed by (i) two Directors (provided that if the composition of the Board permits, one of the aforesaid two Directors shall be a person other than the Managing or whole-time Director) and (ii) the Secretary or some other person appointed by the Board for the purpose. Particulars of every share certificate issued shall be entered in the register of the Members against the name of the person to whom it has been issued indicating the date of issue. A Director may sign the share certificates by affixing his signature thereon by means of any machine, equipment or other mechanical means such as engraving in metal or lithography, but not by means of a rubber stamp, provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose. Provided always that notwithstanding anything contained in this Articles, the certificates of title to the shares may be executed and issued in accordance with such other provisions of the Act, or the rules made thereunder as may be in force for the time being and from time to time.

Member's right to
certificates

17. Every member or allottee of share(s) shall be entitled without payment to receive at least one certificate under the Seal of the Company for all the shares of each class or denomination registered in his name in such form as the Directors shall prescribe or approve, specifying the share or shares allotted to him and the amount paid thereon. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or of its fractional coupons of requisite value, save in case of issues against letters of acceptance or of renunciation or in case of issue of bonus shares. Provided that if the letter of allotment is lost or destroyed the Board may impose such reasonable terms, if any as it thinks fit, as to evidence and indemnity and the payment of out-of-pocket expenses incurred by the Company in investigating evidence. If the Directors so approve and upon payment of such fee, if any, not exceeding Rupees two per certificate as the Directors may from time to time determine in respect of each class of shares, a member shall be entitled to more than one certificate for shares of each class.

Limitation of time
for issue of
certificates
Amended vide
A.G.M. Resolution
dated 25.09.1980

18. The Company shall within three months after the allotment of any of its shares or debentures and within one month after the receipt of the application for the registration of the transfer of any such shares or debentures complete and have

ready for delivery the certificates of all shares and debentures otherwise provided and the Company shall otherwise comply with requirements of Section 113 and other applicable provisions (if any) of the Act.

19. (a) No Certificate(s) of any share or shares or debenture or debentures shall be issued either in exchange for those which are sub-divided or consolidated or in replacement of those which are defaced, torn or old, decrepit, worn out, or rendered useless from any cause whatsoever, or where the cages on the reverse for recording transfers have been fully utilised, unless the certificates in lieu of which they are issued are surrendered to the Company. The Company shall not charge any fee for sub-division and consolidation of share and debenture certificates and for sub-division of Letters of Allotment and split, Consolidation, Renewal and Pucca Transfer Receipts into denominations corresponding to the market units of trading; for sub-division of renounceable Letters of Right; for which issue of new certificates in replacement of those which are old, decrepit or worn out or where the cages on the reverse for recording transfers have been fully utilised; for registration of any Power of Attorney, Probate, Letters of Administration or similar other documents. No duplicate certificates shall be issued in lieu of those that are lost or destroyed without the prior consent of the Board and on such reasonable terms, if any, as to evidence of such loss or destruction, and indemnity and the payment of out-of-pocket expenses incurred by the Company in investigating evidence as the Board thinks fit. The Company will not charge any fees exceeding those which may be agreed upon with the Exchange for issue of new certificates in replacement of those that are torn, defaced, lost or destroyed; for sub-division and consolidation of share and debenture certificates and for sub-division of Letters of Allotment and Split, Consolidation, Renewal and Pucca Transfer Receipts into denominations other than those fixed for the market units of trading.
- (b) When a new share certificate has been issued in pursuance of clause (a) of this Article, it shall state on the face of it and against the counterfoil to the effect that it is "issued in lieu of share certificate No....." The word "Duplicate" shall be stamped or punched in bold letters across the face of the certificate.
- (c) All blank forms to be issued for share certificates shall be printed and the printing shall be done only on the authority of resolution of the Board. The blank forms shall be consecutively machine-numbered and the Secretary or the other person aforesaid shall be responsible for rendering an account of these forms to the Board.
- (d) The Managing Director of the Company for the time being or if the Company has no Managing Director, every Director of the Company shall be responsible for the maintenance, preservation and the safe custody of all books and documents relating to the issue of share certificates except the blank forms of shares certificates referred to in Sub-Article (c).
- (e) All the books referred to in sub-article (d) shall be preserved in good order permanently.
- 19 (A) (i) Notwithstanding anything contained in these Articles the Company shall be entitled to dematerialise its securities and to offer securities in a dematerialised form pursuant to the Depositories Act, 1996.
- (ii) Every person subscribing to securities offered by the Company shall have the option to receive security certificate or to hold the securities with a depository.

As to issue of new certificates in place of the defaced, lost or destroyed
Amended vide A.G.M. Resolution dated 25.09.1980

Dematerialisation of Securities
Inserted vide A.G.M. Resolution dated 29.09.2006

Options for
Investors

Such a person who is the beneficial owner of the securities can at any time opt out of a depository, if permitted by the law, in respect of any security in the manner provided by the Depositories Act, and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required Certificate of Securities. 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 security.

Securities in
Depositories to be
in Fungible Form

(iii) All the securities held by a depository shall be dematerialised and be in fungible form. Nothing contained in Sections 153, 153A, 187B, 187C and 372/372A of the Act shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.

Rights of
Depositories and
Beneficial Owners

(iv) (a) 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 owners.

(b) Save as otherwise provided in (a) above, the depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.

(c) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. 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 which are held in a depository.

Service of
Documents

(v) Notwithstanding anything in the Act or these Articles to the contrary, where securities are held in a depository, the record of the beneficial ownership may be served by such depository on the Company by means of electronic mode or by delivery of floppies or discs.

Transfer of
Securities

(vi) Nothing contained in Section 108 of the Act or these Articles shall apply to transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.

Allotment of
Securities dealt
with in a
Depository

(vii) Notwithstanding anything in the Act or these Articles, where securities are dealt with by a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.

Distinctive
Numbers of
Securities Held in a
Depository

(viii) Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for securities issued by the Company shall apply to securities held in a depository.

Register and Index
of Beneficial
Owners

(ix) The Register and Index of beneficial owners maintained by a depository under the Depositories Act, 1996, shall be deemed to be Register and Index of Members and Security holders for the purposes of these Articles.

CALLS

Board may make
calls

20. The Board of Directors may from time to time (by a resolution passed at the meeting of the Board and not by Circular Resolution) but subject to the condition hereinafter mentioned, make such calls as they think fit upon the members in respect of all monies unpaid on the shares held by them respectively (whether on account of the nominal value of the shares or by way of premium) and which are not by the conditions of the allotment thereof made payable at fixed times and each member shall pay the amount of every call so made on him to the person and at the times appointed by the Directors. A call may be made payable by instalments.

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|---|--|
| 21. Where any calls are made on the shares, such calls shall be made on a uniform basis on all shares falling under the same class. For the purpose of this Article, shares of the same nominal value on which different amounts have been paid up shall not be deemed to fall under the same class. | Calls on shares of same class to be made on uniform basis |
| 22. At least thirty days' notice of every call otherwise than on allotment shall be given specifying the time of payment, and if payable to any person other than the Company, the name of the person to whom the call shall be paid, provided that before the time for payment of such call the Directors may by notice in writing to the members revoke the same. | Notice of call |
| 23. A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorising such call was passed and may be made payable by those members whose names appear on the Register of Members on such date, or at the discretion of the Directors on such subsequent date as shall be fixed by the Directors. | Call to date from Resolution |
| 24. The Directors may from time to time, at their discretion, extend the time for the payment of any call, and may extend such time as to payment of call for any of the members who, on account of their residence(s) being at a distance or other cause, the Directors may deem entitled to such extension but no member shall be entitled to such extension save as a matter of grace and favour. | Directors may extend time |
| 25. If by the terms of issue of any share, any amount is made payable at any fixed time or by instalments at fixed times (whether on account of the capital amount of the share or by way of premium) every such amount or instalment shall be payable as if were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall relate to such amount or instalment accordingly. | Amount payable at fixed time or by instalment as calls |
| 26. 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 or allottee of the share in respect of which a call have been made or the instalment shall be due, shall pay interest on the same at such rate as the Directors shall fix from the day appointed for the payment thereof to the time of actual payment but the Directors may waive payment of such interest wholly or in part. | When interest on call or instalment payable |
| 27. Neither a judgement nor a decree in favour of the Company for calls or other moneys due in respect of any share nor any part payment or satisfaction thereunder nor the receipt by the company, of a portion of any money which shall from time to time be due from any member in respect of any share either by way of principal or interest, nor any indulgence granted by the Company in respect of payment of any money shall preclude the forfeiture of such shares as hereinafter provided. | Judgement decree or partial payment not to preclude forfeiture |
| 28. Subject to the provision of the Act and these Articles, on the trial hearing of any action or suit brought by the Company against any member or his legal representative for the recovery of any money claimed to be due to the company in respect of any shares, it shall be sufficient to prove that the name of the member in respect of whose shares money is sought to be recovered appears entered on the Register of Members as the holder of the shares in respect of which such money is sought to be recovered, that the resolution making the call is duly posted to the member or his representative in pursuance of these presents, and it shall not be necessary to prove the appointment of Directors who made such call 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. | Proof on trial of suit for money due on shares |

Payment in anticipation of calls may carry interest

29. The Directors may, if they think fit, receive from any member willing to advance the same, all or any part of the moneys upon the shares held by him beyond the sums actually called for and upon the moneys so paid 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 made, the Company may, pay interest at such rate, as the member paying such sum in advance and the Directors agree upon, and the company may, at any time, repay the amount so advanced either by agreement with the member or otherwise upon giving to such member three months' notice in writing. No member paying any sum in advance shall be entitled to participate in profit or dividend or to voting rights in respect of the moneys so paid by him until the same would, but for such payment, become presently payable.

FORFEITURE, SURRENDER AND LIEN

If call or instalment not paid notice may be given

30. If any member fails to pay the whole or any part of any call or instalment or any money due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same, the Directors may, at any time thereafter, during such time as the call or instalment or any part thereof, and other moneys remain unpaid or a judgement or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such member or on the person (if any) entitled to the share by transmission requiring him to pay such call or instalment or such part thereof or other money as remained unpaid together with any interest that may have accrued and all expenses (legal and otherwise) that may have been incurred by the Company by reason of such non-payment.

Terms of Notice

31. The notice shall name a day (not being less than 30 days from the date of the notice) on or before which and the place or places on or at which such call instalment or such part thereof and other moneys as aforesaid and such interest and expenses as aforesaid are to be paid and if payable to any person other than the Company, the person to whom such payment is to be made. The notice also state that in the event of nonpayment at or before the time and (if payable to any person other than the Company) at the place appointed the shares in respect of which the call was made or instalment is payable will be liable to be forfeited.

In default of payment shares to be forfeited
Amended vide A.G.M. Resolution dated 25.09.1980

32. If the requirement of any such notice as aforesaid shall not be complied with, any of the shares in respect of which such notice has been given may at any time thereafter but before payment of all calls or instalment interests and expenses and other moneys due in respect thereof, be forfeited by a resolution of the Directors to that effect.

Entry of forfeiture in register of members

33. When any share shall have been so forfeited, an entry of the forfeiture with the date thereof, shall be made in the Register of Members and notice of forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture but no forfeiture shall be, in any manner, invalidated by any omission or neglect to give such notice or to make any entry as aforesaid.

Forfeited shares to be property of the Company and may be sold

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

Directors may annul Forfeiture

35. The Directors may, at any time before any share so forfeited shall have been sold, reallocated or otherwise disposed of, annul the forfeiture thereof upon such conditions as they think fit.

36. Any member whose shares have been forfeited shall, notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company all calls, instalments, interest, expenses and other money owing upon or in respect of such shares at the time of the forfeiture together with interest thereon from the time of the forfeiture until payment at such rate as the Directors may determine and the Directors may enforce the payment of the whole or a portion thereof as if it were a new call made at the date of the forfeiture but shall not be under any obligation to do so. Shareholders still liable to pay money owing at the time of forfeiture and interest
37. The forfeiture of a share shall involve extinction at the time of the forfeiture, of all interest in and all claims and demands against the Company in respect of the share and all other rights incidental to the share, except only such of those rights as by these presents, are expressly saved. Effect of Forfeiture
38. The Directors may subject to the provision of the Act, accept a surrender of any share from or by any member desirous of surrendering the share on such terms as they think fit. Surrender of shares
39. The company shall have no lien on its fully paid shares. In the case of partly paid shares the Company shall have a first and paramount lien on such shares 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 and whether held solely or jointly with any other person, and whether the period for the payment, fulfilment or discharge 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 40 is to have full effect. Any such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares. Unless otherwise agreed the registration of a transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares. Company's lien on Shares
40. For the purpose of enforcing such lien the Directors may sell the shares, subject thereto, in such manner as they shall think fit, but no sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell such shares shall have been served on such member or the person (if any) entitled by transmission to the shares and default shall have been made by him in payment, fulfilment or discharge of such debts, liabilities or engagements for thirty days after such notice. As to enforcement of lien by sale
41. The net proceeds of any such sale after payment of the cost of such sale shall be applied in or towards the satisfaction of such debts, liabilities or engagements of such member and the residue, (if any) shall subject to a like lien for sums not presently payable, as existed upon the shares before the sale be paid to such member or the person (if any) entitled by transmission to the shares so sold. Application of proceeds of Sale
42. A certificate in writing under the hand of two Directors that the call in respect of a share was made, and notice thereof given, and that default in payment of the call was made, and that the forfeiture of the share was made by resolution of the Directors to that effect, shall be conclusive evidence of the facts stated therein as against all persons entitled to such share. Certificate of forfeiture
43. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the Register in respect of the shares sold and the Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition thereof and the person to whom such share is sold, re-allotted or disposed of may be registered as the holder of the share and he shall not be bound to Title of purchaser and allottee of forfeited shares sold to exercise lien

see to the application of the consideration, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings with reference to the forfeiture, sale, re-allotment or other disposal of the share and after his name has been entered in the Register in respect of such share the validity of the sale shall not be impeached by any person.

Cancellation of share certificate In respect of forfeited shares and share sold to exercise lien

44. Upon any sale, allotment or their disposal under the provisions of the proceeding Article, the Certificate or certificates originally issued in respect of the relevant shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting Member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new certificate or certificates in respect of the said shares to the person or persons entitled thereto.

TRANSFER AND TRANSMISSION OF SHARES

Register of Transfer

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

Register of renewed and duplicate certificate

46. The Company shall keep a book to be called the "Register of Renewed and Duplicate Certificates" and therein shall be fairly and distinctly entered the particulars of the issue of renewed and duplicate certificate in exchange for those which are sub-divided or consolidated or in replacement or those which are defaced, torn, or old, decrepit, worn out or rendered useless.

Form of Transfer

47. The instrument of transfer of any share shall be in writing and all the provisions of Section 108 of the Act and of any statutory modification thereof for the time being shall be duly complied with in-respect of all transfers of shares and the registration thereof. The form of transfer deed shall be same as is prescribed under the Companies Act, 1956.

Application for Transfer

48. (1) An application for the registration of a transfer of the shares in the Company may be made either by the transferor or the transferee.
 (2) Where the Application is made by the transferor and related to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferor and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.
 (3) For the purposes of Class (2) above the notice to the transferee shall be deemed to have been duly given if it is despatched by pre-paid registered post to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.

Transfer to be executed by the transferor and transferee

49. Every such instrument of transfer shall be signed by the transferor and transferee and the transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register of Members in respect thereof.

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

50. The Company shall not register a transfer of shares in the Company unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation, if any, of the transferee, has been delivered to the Company within the prescribed period alongwith the certificate relating to the shares or if no such share certificate is in existence, along with the letter of allotment of the shares. Provided that where on an application in writing made to the Company by the transferee and bearing the stamp required for an instrument of transfer, it is proved to the

- satisfaction of the Board of Directors that the instrument of transfer signed by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit. Provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares in the Company has been transmitted by operation of law.
51. Subject to the provisions of Section 111 of the Act or any statutory modification for the time being in force, the Directors may, at their absolute discretion, decline to register or acknowledge any transfer of shares and shall not be bound to give any reason for such refusal and in particular may so decline in respect of shares upon which the Company has a lien or whilst any moneys in respect of the shares desired to be transferred or any of them remain unpaid and such refusal shall not be effected by the fact that the proposed transferee is already a member. Provided that registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account what-so-ever except as stated hereinabove. The registration of transfer shall be conclusive evidence of the approval by the Directors of the transferee. Directors may refuse to register transfer
 52. If the Company refuses to register the transfer of any share or transmission of any right therein, the Company shall within two months from the date on which the instrument of transfer or intimation of transmission was lodged with the Company, send notice of refusal to the transferee and transferor or to the person giving intimation of the transmission as the case may be and thereupon the provision of Section 111 of the Act or any statutory modification thereof for the time being in force shall apply. Notice of refusal to be given to transferor and transferee
 53. A transfer of a share in the Company of a deceased member thereof made by his legal representative shall, although the legal representative is not himself a member be as valid as if he had been a member at the time of the execution of the instrument of transfer. Transfer by Legal Representative
 54. The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall on demand be returned to the person depositing the same. The Directors may cause to be destroyed all transfer deeds lying with the Company for a period of ten years or more. Custody of instrument of transfer
 55. The Directors shall have power, on giving not less than seven days previous notice by advertisement as required by Section 154 of the Act to close the transfer books of the Company, the Register of Members or the Register of Debenture-holders at such time or times end for such period or periods of time not exceeding in the whole 45 days in each year but not exceeding 30 days at any one time. Closure of Transfer-Books
 56. The executors or administrators or the holder of a Succession certificate in respect of the estate of a deceased member (not being one of two or more joint holders) shall be the only persons recognised by the Company as having any title to the shares registered in the name of such member and the Company shall not be bound to recognise such executors or administrators unless such executors or administrators shall have first obtained Probate or Letters of Administration or Succession Certificate as the case may be, from a duly constituted Court in India, provided that in case where the Directors in their absolute discretion think fit, the Directors may dispense with the production of Probate or Letters of Administration or Succession Certificate and under the provisions of article 57, register the name of any person who claims to be absolutely entitled to the shares standing in the name of a deceased member, as a member. Title of Shares of deceased holder

- Transmission Clause
57. Subject to the provisions contained in Article 51 and 52 hereof, any person becoming entitled to a share in consequence of the death, lunacy or insolvency of any member, upon producing proper evidence of the grant of Probate or Letters of Administration or Succession Certificate or such other evidence that he sustains the character in respect of which he proposes to act under this clause or of his title to the shares as the Board thinks sufficient may, with the consent of the Board (which it shall not be under any obligation to give), be registered as a member in respect of such shares, or may subject to the regulations as to transfer herein-before contained, transfer such shares. This clause is herein referred to as the transmission clause.
- Power to refuse registration
58. Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse to register as member a person entitled by transmission to shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.
- Persons entitled may received dividend without being registered as member
59. A person entitled to a share by transmission shall subject to the right of the Directors to retain such dividends or money as hereinafter provided, be entitled to receive, and may give a discharge for any dividends or other moneys payable in respect of the share.
- Board may require evidence of transmission
60. Every transmission of a share shall be verified in such manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the company with regard to such registration which the Directors at their discretion shall consider sufficient provided nevertheless that there shall not be any obligation on the company or the Directors to accept any indemnity.
- Fee on transfer or transmission
Amended vide A.G.M. Resolution dated 29.09.2006
61. No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate and Letters of Administration, Certificate of Death or Marriage, Power of Attorney or similar other document.
- Company not liable for disregard of a notice prohibiting registration of transfer
62. The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made, or purporting to be made by any apparent legal owner thereof (as shown or appearing in the register of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the said shares notwithstanding that the Company may have had notice of such equitable right, title or interest or may have received a notice prohibiting registration of such transfer and may have entered such notice or referred such notice thereto in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do though it may have been entered or referred to in some book of the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Directors shall so think fit.
- Nomination
Inserted vide A.G.M. Resolution dated 29.09.2006
- 62A. Notwithstanding anything contained in the Articles of Association or in any other law for the time being in force, where a nomination has been made in the manner prescribed in Section 109A of the Act, purporting to confer on any person the right to vest the shares in, or debentures of the Company, the nominee shall, on the death of the shareholder or holder of debentures of the Company or, as the case may be, on the death of the joint holders, become entitled to all the rights in the shares or debentures of the company or, as the case may be, all the joint holders, in relation to such shares in or debentures of

the Company to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner and the provisions contained in Sections 109A and 109B of the Act, shall be applicable to such cases.

CONVERSION OF SHARES INTO STOCK

63. The Company, by ordinary resolution in General Meeting, subject to Section 95 of the Act
- Conversion of Shares into Stock and reconversion
- (a) convert any fully paid-up shares into stock; and
- (b) convert any stock into paid-up shares of any denomination.
64. The holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulations under which the shares from which the stock arose might before the conversion have been transferred or as near thereto as circumstances admit; provided that the Board may, from time to time fix the minimum amount of stock transferable, so however, that such minimum shall not exceed the nominal amount of shares from which the stock arise.
- Transfer of Stock
65. The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, participation in profits, voting at meetings of the Company, and other matters, as they held the shares from which the stock arose but no such privileges or advantage (except as to dividends, participation in the profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.
- Rights of stock holders
66. Such of the regulations of the Company (other than those relating to share warrants) as are applicable to paid-up shares shall apply to stock and the words "Share" and "Share-holders" in those regulations shall include "Stock" and "Stock holders" respectively.
- Regulations to apply to stocks

INCREASE, REDUCTION AND ALTERATION OF CAPITAL

67. The Company may from time to time by ordinary resolution in General Meeting increase its share capital by the creation and issue of new shares of such amount as it thinks expedient. Subject to the provisions of the Act the shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the General Meeting creating the same shall direct and if no direction be given, as the Board shall determine. Such shares may be issued with a preferential or qualified right as to dividends, and in the distribution of assets of the Company and with a right of voting at a General Meeting of the Company in conformity with Sections 87 and 88 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article, the Directors shall comply with the provisions of Section 97 of the Act.
- Increase of Capital
68. (1) Where at any time, after the expiry of two years from the formation of the Company or after the expiry of one year from the allotment of shares made in the Company, whichever is earlier, it is proposed to increase the subscribed capital of the Company by allotment of further shares, either out of the unissued capital or out of the increased share capital then:
- Right of Equity Shareholders to further issue of capital
Amended vide A.G.M. Resolution dated 29.09.2006
- (a) Such further shares shall be offered to the persons who at the date of the offer, are holders of the equity shares of the Company, in proportion, as near as circumstances admit, to the capital paid up on those shares at that date.

- (b) Such offer shall be made by a notice specifying the number of shares offered and limiting a time not less than thirty days from the date of the offer and the offer, if not accepted, will be deemed to have been declined.
 - (c) The offer aforesaid shall be deemed to include a right exercisable by the persons concerned to renounce the shares offered to them in favour of any other person and the notice referred to in sub clause (b) hereof shall contain a statement of this right, provided that the Directors may decline, without assigning any reason to allot any shares to any person in whose favour any member may renounce the shares offered to him.
 - (d) After expiry of the time specified in the aforesaid notice or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose off them in such manner and to such person (s), at their sole discretion, as they may think fit.
- (1A) Notwithstanding anything contained in Clause (1) above, the further shares aforesaid may be offered to any persons (whether or not those persons include the persons referred to in clause (a) of sub- clause (1) hereof) in any manner whatsoever.
- (a) if a special resolution to that effect is passed by the Company in General Meeting.
 - (b) Where no such special resolution is passed, if the votes cast (whether on a show of hands or on a poll as the case may be) in favour of the proposal contained in the resolution moved at the general meeting (including the casting vote, if any, of the Chairman) by the members, who, being entitled to do so, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the proposal by members, so entitled and voting and the Central Government is satisfied, on an application made by the Board of Directors in this behalf that the proposal is most beneficial to the company.
- (1B) Nothing in sub-clause (c) of clause (1) above hereof shall be deemed:
- (a) To extend the time within which the offer should be accepted ; or
 - (b) To authorise any person to exercise the right of renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.
- (2) Nothing in this Article shall apply to the increase of the subscribed capital caused by the exercise of an option attached to debentures issued or loans raised to convert such debentures or loans into shares in the Company or to subscribe for shares in the Company (whether such option is conferred in Article 79 or otherwise) provided that the terms of the issue of such debentures or of such loans include a term providing for such option and such terms have been approved by a Special Resolution passed by the Company in General Meeting before the issue of the debentures or the raising of the loans and also the same has either been approved by the Central Government before the issue of the debenture or the raising of the loans or is in conformity with the rules, if any, made by the Government in this behalf.
69. (1) Excepts 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 original equity capital and shall be subject to the provisions herein contained with reference to the payment of calls and instalments, transfer and transmission, forfeiture, lien, surrender, voting and otherwise.

Increased capital to be considered same as original capital

- (2) Subject to the provisions of Section 80 and 80A of the Act, the Company shall have the power to issue Preference shares which are at the option of the Company, are liable to be redeemed, and the redemption may, subject to the provisions of Article 5 hereof, be effected in the manner and subject to the terms and provisions of its issue. Redeemable Preference Shares
Amended vide
A.G.M. Resolution
dated 27.09.1989
- (3) On the issue of Redeemable Preference Shares under the provisions of clause (2) hereof, the following provisions shall take effect :- Provisions to apply
on issue of
Redeemable
Preference Shares
- (a) No such shares shall be redeemed except out of profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purpose of the redemption.
- (b) No such shares shall be redeemed unless they are fully paid.
- (c) The premium, if any, payable on redemption must have been provided for out of the profits of the Company or the Company's share premium Account before the shares are redeemed.
- (d) Where any such shares are redeemed otherwise than out of the proceeds of the fresh issue, there shall, out of profit which would otherwise have been available for dividend, be transferred to a reserve fund, to be called the "Capital Redemption Reserve Account" a sum equal to the nominal amount of the shares to be redeemed and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in section 80 of the Act, apply as if the Capital Redemption Reserve Account were part of the paid up Share Capital of the Company.
70. (a) The Company shall not have the power to buy its own shares unless the consequent reduction of capital is effected and sanctioned in pursuance of Article 71 or in pursuance of Section 100 to 104 or Section 402 or other applicable provisions (if any) of the Act. Restrictions on
purchase by the
company of its own
shares
- (b) Except to the extent permitted by Section 77 or other applicable provisions (if any) of the Act, the company shall not give whether directly or indirectly and whether by means or a loan, guarantee, provision of security or otherwise any financial assistance for the purpose of or in connection with the purchase or subscription made or to be made by any person of or for any shares in the Company.
- 70A. Notwithstanding anything contained in these Articles and in pursuance of Sections 77A, 77AA and 77B of the Act, the Board of Directors may, if thought fit, buy -back such of the Company's own shares or securities as it may consider appropriate subject to such limits, restrictions, terms and conditions, approvals as may be required under the provisions of Companies Act including the amendment(s) thereof. Buy-Back of Shares
Inserted vide A.G.M.
Resolution dated
29.09.2006
71. The Company may from time to time subject to the provisions of Sections 78, 80, 100 to 105 inclusive, of the Act, by special resolution reduce its share capital and any Capital Redemption Reserve Account or Share Premium Account in any way authorised by law and in particular may pay off any paid-up share capital upon the footing that it may be called up again or otherwise and may, if and so far as is necessary, alter its Memorandum by reducing the amount of its share capital and of its shares accordingly. Reduction of
Capital
72. The Company may in General Meeting alter the conditions of its Memorandum as follows:- Consolidation
division and sub-
division
- (a) Consolidate and divide all or any of the share capital into shares of larger amounts than its existing shares;

- (b) Sub-divide its shares or any of them into shares of smaller amounts than originally fixed by the Memorandum, so however, that in the sub-division the proportion between the amount paid and the amounts, 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;
- (c) Cancel shares which at the date of such General Meeting have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

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

73. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not unless otherwise expressly provided by the terms of issue of the shares of that class deemed to be varied by the creation or issue of further share ranking pari passu therewith.

MODIFICATION OF RIGHTS

Modification of rights of any class of shares

- 73A. If at any time the share capital is divided into different classes the rights attached to any class of shares (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 106 and 107 of the Act, be modified, commuted, affected, abrogated or varied (whether or not the company is being wound up) with the consent in writing of the holders of not less than three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of that class of shares, and all the provisions hereinafter contained as to General Meeting shall mutatis mutandis apply to every such meeting.

JOINT HOLDERS

Joint Holder

74. Where two or more persons are registered as the holders of any shares they shall be deemed to hold the same as joint tenants with benefit of survivorship subject to the following and other provisions contained in the Articles :-

Company may refuse to register more than four persons

- (a) The Company shall be entitled to decline to register more than four persons as the Joint holders of any share.

Joint and Several liability for all payments in respect of shares

- (b) The joint-holders of any shares shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.

Title of Survivor

- (c) On the death of any such joint-holders the survivor or survivors shall be the only person or persons recognised by the Company as having title to the share but the Directors may require such evidence of death as they may deem fit and nothing herein contained shall be taken to release the estate of deceased joint holder from any liability in respect of the share held by him jointly with any other person.

Receipt of First sufficient

- (d) Only the person whose name stands first in the Register of Members may give effectual receipts for any dividends or other moneys payable in respect of such shares.

Delivery of certificate and giving of notice to first named holder

- (e) Only the person whose name stands first in the Register of Members as one of the joint-holders of any share shall be entitled to delivery of the certificates relating to such share or to receive documents (which expression shall be deemed to include all documents referred to in Article 211) from the Company and documents served on or sent to such persons shall be deemed service on all the joint-holders.

(f) Any of the two or more joint-holders 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 personally or by proxy then that one of such persons so present whose name stands first or higher (as the case may be) on the Register in respect of such share shall alone be entitled to vote in respect thereof but the other or others of the joint-holders shall be entitled to be present at the meeting. Provided always that a joint-holder present at any meeting personally shall be entitled to vote in preference to a joint-holder present by proxy although the name of such joint-holder present by proxy stands first or higher in the register in respect of such shares. Several executors or administrators of a deceased member in whose (deceased member's) sole name any share stands shall for the purposes of this sub-clause be deemed joint-holders.

Votes of joint-holders

BORROWING POWERS

75. Subject to the provisions of the Act and these Articles and without prejudice to the other powers conferred by these Articles, the Directors shall have the power from time to time at their direction, passed at a meeting of the Board and not by Circular Resolution, to accept deposits from Members, either in advance of calls or otherwise, and generally raise or borrow or secure the payment of any sum or sums of moneys for the purposes of the company provided that the total amount borrowed at any time together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's Banker in the ordinary course of business) shall not, without the consent of the Company in General Meeting, exceed the aggregate of the paid-up capital of the Company and its free reserve that is to say, reserve not set apart for any specific purpose. Such consent shall be obtained by an ordinary resolution which shall provide for the total amount upto which moneys may be borrowed by the Board. The expression "Temporary Loans" in this article means loans repayable on demand or within six months from the date of the loan such as short term cash credit arrangements, discounting of bills and the issue of other short term loans of seasonal character but does not include loans raised for the purpose of financing expenditure of a capital nature.
76. Subject to the provisions of the Act and these Articles the Directors may, by resolution, passed at the meeting of the Board and not by circular resolution, raise and secure the payment of such sum or sums in such manner and upon such terms and conditions in all the respects as they think fit and in particular by the issue of bonds, perpetual or redeemable debentures or debenture stock or any mortgage or charge or other security on the undertaking of the whole or any part of the property of the Company (both present and future) including its uncalled capital for the time being.
77. Any bonds, debentures, debenture stock or other securities issued or to be issued by the Company shall be under the control of the Directors who may issue them upon such terms and conditions and in such manner and for such consideration as they shall consider to be for the benefit of the Company.
78. Debentures, debenture-stock, bonds or other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.
79. Subject to the provisions of the Act and these Articles, any bonds, debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and with any special privileges and conditions as the redemption,

Power to Borrow

Conditions on which money may be borrowed

Bonds Debentures to be subject to control of Directors

Securities may be assignable from equities

Conditions on which Bonds, Debentures may be issued

surrender, drawings, allotment of shares, attending (but not voting) at general meetings, appointment of Directors and otherwise. Provided that debentures with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.

Mortgage of
uncalled capital

80. If any uncalled capital of the company is included in or charged by way of any mortgage or other security by the Directors, the Directors shall, subject to the provisions of the Act and these Articles, make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed or if permitted by the Act may by instrument under the Company's Seal authorise the person in whose favour or security executed or any other person in trust for him to receive monies payable on calls from the members in respect of such uncalled capital and the provisions herein before contained in regard to calls shall mutatis mutandis apply to calls made under such authority and such authority may be made exercisable either conditionally or un-conditionally and either presently or contingently and either to the exclusion of the Directors' powers or otherwise and shall be assignable if expressed so to be.

Indemnity to be
given

81. Subject to the provisions of the Act and these Articles, if the Directors or any of them or any other person shall incur or be about to incur any liability whether as personal or surety for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage charge or security of on, whole or affecting the whole or any part of the assets of the Company by way of indemnity to secure to Directors or any other person so becoming liable as aforesaid from any loss in respect of such liability.

Register of
mortgage to be kept

82. The Board shall cause a proper Register to be kept in accordance with the provisions of Section 143 of the Act of all mortgages, debentures and charges specifically affecting the property of the Company including all floating charges on the undertaking or any property of the Company and, shall cause the requirements of Section 118, 125 and 127 to 144 (both inclusive) of the act in that behalf to be duly complied with (within the time prescribed by the said sections or such extensions thereof as may be permitted by the court or the Registrar) so far as they are to be complied with by the Company. The Company shall, if at any time it issues debentures, keep a Register and index of Debenture holders in accordance with Section 152 of the Act.

GENERAL MEETING

Statutory Meeting

83. The Statutory meeting of the company shall be held at such place and time (not less than one month nor more than six months from the date on which the Company is entitled to commence business) as the Directors may determine, and in connection therewith the Directors shall comply with the provisions of Section 165 of the Act.

Annual General
Meeting

84. (1) The Company shall, in addition to any other meetings, hold a general Meeting (herein called an "Annual General Meeting") at the intervals and in accordance with the provisions herein specified. The Company shall hold its first Annual General Meeting within eighteen months from the date of the incorporation of the Company and if such General Meeting is held within such period it shall not be necessary for the Company to hold any Annual General Meeting for the year of its incorporation or in the following year, but subject to the aforesaid provisions the Annual General Meeting shall be so held at least once in every calendar year and within six months after the expiry of each financial year and that not more than fifteen months shall elapse between the date of one Annual General Meeting and the next; provided however that if the Registrar of

Companies shall have for any special reason extended the time within which any Annual Meeting shall be held by a further period not exceeding three months, the Annual General Meeting may be held within the additional time allowed by the Registrar.

- (2) Every Annual General Meeting shall be called for at a time during business hours and on such day (not being a public holidays) as the Directors may from time to time determine and it shall be held either at the registered office of the company or at some other place within the city, town or village in which the Registered Office of the Company is situated. The Company may by a resolution passed at one Annual General Meeting may fix the time for its subsequent Annual General Meeting. The notice calling the meeting shall specify it as the Annual General Meeting.
85. All General Meetings other than Annual General Meeting shall be called Extraordinary General Meetings. Extra-ordinary
General Meeting
86. The Board of Directors may call an extraordinary General Meeting whenever they think fit. Directors may call
Extraordinary
General Meeting
87. (1) The Board of Directors shall on a requisition of such number of members of the company shall hold, in regard to any matter at the date of deposit of the requisition, not less than one-tenth of such of the paid-up capital of the company upon which all calls or other moneys then due shall have been paid, as at that date carries the right of voting in regard to the matter, forthwith proceed duly to call an Extraordinary General Meeting of the Company and the provisions of Section 169 of the Act (including the provisions below) shall be applicable. Calling of Extra-
ordinary General
Meeting on
requisition
- (2) The requisition shall set out the matters for the consideration of which the meeting is to be called shall be signed by the requisitionists and shall be deposited at the Registered Office of the Company.
- (3) The requisition may consist of several documents of like form, each signed by one or more requisitionists.
- (4) Where two or more distinct matters are specified in the requisition the provision of clause (1) above shall apply separately in regard to each such matter, and the requisition shall accordingly be valid only in respect of those matters in regard to which the condition specified in that clause is fulfilled.
- (5) If the Board of Directors does not within twenty one days from the date of the deposit of a valid requisition in regard to any matters proceed duly to call a meeting for the consideration of these matters on a day not later than fortyfive days from the date of the deposit of the requisition, the meeting may be called by the requisitionists themselves or by such of the requisitionists as represent either a majority in value of the paid up share capital held by all of them, or not less than one-tenth of the paid up share capital of the Company as is referred to in Clause (1) above whichever is less.
- (6) A meeting called under Clause (5) above by the requisitionists or any of them shall be called in the same manner, similarly meetings are to be called by the Board, but shall not be held after the expiration of three months from the date of the deposit of the requisition.
- (7) Any reasonable expenses incurred by the requisitionists by reason of the failure of the Board duly to call a meeting shall be repaid to the requisitionists by the Company; and any sum so repaid shall be retained by the Company by way of fees or other remuneration for their services to such of the Directors as were in default.

- Notice of Meeting 88. (1) A General Meeting of the Company may be called by giving not less than twenty-one days notice in writing.
- (2) However, a General Meeting may be called after giving shorter notice than twenty-one days, if the consent is accorded thereto;
- (i) In the case of an Annual General Meeting by all the members entitled to vote there at; and
- (ii) In the case of any other meeting by members of the Company holding not less than 95 per cent of such part of the paid-up share capital of the company as gives a right to vote at the meeting;
- Provided that where any members of the Company are entitled to vote only on some Resolution or Resolutions to be moved at the meeting and not on the others, those members shall be taken into account for the purpose of this sub-clause in respect of the former Resolution or Resolutions but not in respect of the latter.
- Contents of Notice 89. (1) Every notice of a meeting of the Company shall specify the place, the date and hour of the meeting and shall contain a statement of business to be transacted thereat.
- (2) In every notice there shall appear with reasonable prominence a statement that a member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and that a proxy need not be a member of the Company.
- Special Business 90. (1) In the case of an Annual General Meeting all business to be transacted at the meeting shall be deemed special with the exception of business relating to:-
- (i) the consideration of the Accounts, Balance Sheet and Profit and Loss Account and the Report of the Board of Directors and the Auditors;
- (ii) the declaration of dividend;
- (iii) the appointment of Directors in the place of those retiring;
- (iv) the appointment of and fixing of the remuneration of the Auditors.
- (2) In the case of any other meeting all business shall be deemed special.
- (3) Where any item of business to be transacted at the meeting is deemed to be special as aforesaid, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each such item of business including in particular, the nature of the concern, or interest, if any, therein of every director and of the Manager, provided that where any item of special business as aforesaid to be transacted at a meeting of the Company relates to, or affects, any other Company the extent of the shareholding interest in that other company of every Director and the Manager of the Company shall also be set out in the explanatory statement, if the extent of such share holding interest is not less than 20 per cent of the paid up capital of that other Company.
- (4) Where any item of business to be transacted at the meeting of the Company consists of according the approval of the meeting to any document the time and place where the document can be inspected shall be specified in the explanatory statement.
- Service of Notice 91. Notice of every meeting shall be given to every member of the Company in any manner authorised by Sub-Section (1) to (4) of Section 53 of the Act and by these Articles, it shall be given to the persons entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a pre-paid letter addressed to them by name or by the title of the representatives of the deceased or the insolvent or by any like assignees of description, at the address, if any in India

supplied for the purpose by the persons claiming to be so entitled, or until such an address has been so supplied, by giving the notice in any manner in which it might have been given if the death or insolvency had not occurred. Provided that where notice of a meeting is given by advertising the same in a newspaper circulating in the neighbourhood of the registered office of the Company as provided in Sub-Section (3) of Section 53 of the Act, the explanatory statement need not be annexed to the notice as required by Section 173 of the said Act, but it shall be mentioned in the advertisement that the statement has been forwarded to the members of the Company.

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| 92. Notice of every meeting of the Company and every other communication relating to any General Meeting of the Company which any member of the Company is entitled to have sent to him, shall be given to the Auditor or Auditors for the time being of the Company, in the manner authorised by Section 53 of the Act, as in the case of any member or members of the Company. | Notice to be given to the Auditors |
| 93. The Accidental omission to give notice of any meeting to or the non-receipt of any notice by any member or other person to whom it should be given shall not invalidate the proceeding at the Meeting or the Resolution passed thereat. | As to omission to give notice |
| 94. (1) Where, by any provision contained in the Act or in these Articles, special Notice is required of any resolution, notice of the intention to move the resolution shall be given to the Company not less than fourteen days before the meeting at which it is to be moved, exclusive of the day on which the notice is served or is deemed to be served and the day of the meeting. | Resolution requiring Special Notice |
| (2) The Company shall, immediately after the notice of the intention to move any such resolution has been received by it, give its members notice of the resolution in the same manner as is given notice of the meeting or if that is not practicable, shall give them notice thereof, either by advertisement in a newspaper having an appropriate circulation or in any other modes allowed by these Articles not less than seven days before the meeting. | |

PROCEEDING AT GENERAL MEETING

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| 95. Five members entitled to vote and present in person shall be a Quorum for a General Meeting and no business shall be transacted at any General Meeting unless the quorum be present at the commencement of the business. | Quorum at General Meeting |
| 96. If within half an hour after the time appointed for the holding of a General Meeting a quorum be not present the meeting if convened on the requisition of shareholders shall be dissolved and in every other case shall stand adjourned to the same day in the next week or if that day is a public holiday until the next succeeding day which is not a public holiday at the same time and place or to such other day, time and place as the Directors may by notice to the shareholders appoint, if at such adjourned meeting a quorum be not present within half an hour those members present shall be a quorum and may transact the business for which the meeting was called. | Proceeding when quorum not present |
| 97. No business shall be transacted at any adjourned meeting other than the business which might have been transacted at the meeting from which the adjournment took place. | Business at adjourned meeting |
| 98. The Chairman of the Board of Directors shall be entitled to take the Chair at every General Meeting. If there be no Chairman, or if at any meeting he shall not be present within 15 minutes after the time appointed for holding such meeting or is unwilling to act, the Directors present may choose a Chairman and in default of | Chairman |

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

- Business confined to election of Chairman whilst Chair Vacant
99. (1) No business shall be discussed at any General Meeting except the election of a Chairman whilst the Chair is vacant.
- (2) If a poll is demanded on the election of the Chairman it shall be taken forthwith in accordance with the provisions of the Act and these Articles and the Chairman so elected on the show of hands will exercise all the powers of the Chairman under the Act and these Articles.
- (3) If some other person is elected Chairman as a result of the poll he shall be Chairman for the rest of meeting.
- Chairman with consent may adjourn meeting
100. The Chairman with consent of any meeting at which a quorum is present, may adjourn any meeting from time to time and from place to place in the city or the town or village in which the Registered Office of the Company is situated.
- Notice to be given where a meeting adjourned for thirty days or more
101. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. 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.
- What would be the evidence of the passing of a resolution where poll not demanded.
102. At any General Meeting, a resolution put to the vote of the meeting shall, unless a poll is (before or on the declaration of the result of the show of hands) demanded be decided on a show of hands and unless a poll is so demanded, a declaration by the Chairman that a resolution has been carried, either unanimously or by a particular majority and an entry to that effect in the books containing the minutes of the proceeding of the Company, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes cast in favour of and against such resolution.
- Demand for Poll
Amended vide A.G.M. Resolution dated 30.12.1988
103. Before or on the declaration of the result of the voting on any resolution on a show of hands, a poll may be ordered to be taken by the Chairman of the Meeting of his own motion and shall be ordered to be taken by him on a demand made in that behalf by any member or members present in person or by proxy and fulfilling the requirements as laid down in Section 179 of the Companies Act, 1956 for the time being in force.
- Time and manner of taking poll
104. A poll demanded on any question (other than the election of the Chairman or on a question of adjournment which shall be taken forthwith) shall be taken at such place in the city, town or village in which the Registered Office of the Company is situated and at time not being later than forty-eight hours from the time when the demand was made as the Chairman may direct. Subject to the provision of the Act, the Chairman of the meeting shall have power to regulate the manner in which a poll shall be taken, including the power to take the poll by open voting or by secret ballot and either at once or after the 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 taken.
- Scrutineers at poll
105. When a poll is to be taken, the Chairman of the meeting shall appoint two scrutineers to scrutinise the votes given on the poll and to report thereon to him. The Chairman shall have power, at any time before the result of the poll is declared to remove a scrutineer from office and to fill vacancies in the office of scrutineer arising from such removal or from any other cause. Of the two scrutineers appointed under this Article one shall always be a member (not being an officer or employee of the Company) present at the meeting provided such a member is available and willing to be appointed.

106. The demand for a poll shall not prevent the continuance of meeting for transaction of any business other than the question on which poll has been demanded. Demand for poll not to prevent transaction of other business
107. In case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a casting vote in addition to his own vote or votes to which he may be entitled as a member. Resolution how decided in case of equality of votes
108. At every Annual General Meeting of the Company there shall be laid on the table the Directors' Report and audited statement of accounts, Auditors' Report (if not already incorporated in the audited accounts) the Proxy Register with proxies and the Register of Directors and Managing Director's or Manager's holding maintained under Section 307 of the Act. The Auditors Report shall be read before the Company in General Meeting and shall be open to inspection by any member of the Company. Reports, statements and Registers to be laid on the table
109. A copy of each of the following resolutions (together with a copy of the statement of material facts annexed under Section 173 to the notice of the meeting in which such resolution has been passed) or agreements shall, within thirty days after the passing or making thereof, be printed or type-written and duly certified under the signature of an officer of the Company and filed with the Registrar:- Registration of certain resolutions and Agreements
- (a) All Special Resolutions.
 - (b) Resolutions which have been agreed to by all the members of the Company but which, if not so agreed to, would not have been effective for their purpose unless they had been passed as special resolution.
 - (c) Resolution of the Board or agreements relating to the appointment, reappointment or the renewal of the appointment or variation of the terms of appointment of managing Director;
 - (d) Resolutions or agreements which have been agreed by all the members or any class of shareholders but which if not so agreed to, would not have been effective for their purpose unless they had been passed by some particular majority or otherwise in some particular manner and all resolutions or agreements which effectively bind all the members or any class of shareholders though not agreed to by all those members.
 - (e) Resolutions requiring the Company to be wound up voluntarily passed in pursuance of sub-section (i) Section 484 of the Act;
 - (f) Resolution passed by the Company according consent to the Board of its Directors to exercise any of the powers under clause (a), clause (d) and clause (e) of the sub-section (i) of Section 293 of the Act ; and
 - (g) Resolution passed by the Company approving the appointment of sole selling agents under section 294 of the Act.
- A copy of every resolution which has the effect of altering the Articles of Association of the Company and a copy of every Agreement referred to in the above sub-clauses (c) and (d) shall be embodied in and annexed to every copy of the Articles issued after the passing of the resolution or the making of the Agreement.
110. The Company shall cause minutes of all proceedings of every General Meeting to be kept in accordance with the provisions of Section 193 of the Act, by making, within thirty days of the conclusion of such meeting, entries thereof in books kept for that purpose with their pages consecutively numbered. Each page of every such Minutes of General Meeting

book shall be initialled or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the same meeting within the aforesaid period of thirty days or in the event of the death or inability of the Chairman within that period by a Director duly authorised by the Board for that purpose. In no case the minutes of the proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise. Any such minutes kept as aforesaid shall be evidence of the proceedings recorded therein.

Inspection of
minute books of
General Meeting

111. The books containing the aforesaid minutes shall be kept at the Registered Office and be open during business hours to the inspection for any member without charge subject to such reasonable restrictions as the Company may by these Articles or in general meeting impose in accordance with section 196 of the Act. Any member shall be entitled to be furnished within seven days after he has made a request in that behalf to the company with a copy of the minutes on payment of thirty-seven paise for every one hundred words or fraction or part thereof required to be copied.

Publication of
Report of
proceeding of
General Meeting

112. No report of the proceedings of any General Meeting of the Company shall be circulated or advertised at the expense of the Company unless it includes the matters required by these Articles or Section 193 of the Act to be contained in the Minutes of the proceedings of such meeting.

VOTES OF MEMBERS

Vote may be given
by proxy or
attorney

113. Subject to the provisions of the Act and these Articles votes may be given either personally or by proxy or in the case of a body corporate also by a representative duly authorised under Section 187 of the Act and Article 115 thereof.

Votes

114. Subject to the provisions of the Act and (particularly of Section 87, 88 and 92(2) thereof) and of these articles :-

(1) Upon a show of hands every member holding equity shares and entitled to vote and present in person (including a proxy of a corporation or a representative of a company as mentioned in Article 115) shall have one vote.

(2) Upon a poll the voting right of every member holding equity shares and entitled to vote and present in person (including a proxy of a corporation or a representative of a company present as aforesaid) or by proxy shall be in the same proportion as the capital paid on the equity share or shares (whether fully paid up or partly paid up) held by him bears to the total paid up equity capital of the company.

(3) Upon a show of hands or upon a poll, the voting right of every member holding preference shares shall be subject to the provisions, limitations and restrictions laid down in Section 87 of the Act.

No voting by proxy
on show of hands

115. No member not personally present shall be entitled to vote on a show of hands unless such member is a corporation present by proxy or unless such member is a body corporate present by a representative duly authorised under Section 187 of the Act or by a proxy in which case such proxy or representative may vote on a show of hands as if he were a member of the Company.

Votes in respect of
shares of deceased
and insolvent
members

116. Any person entitled under the Transmission Article (Article 57 hereof) to transfer any shares may vote at any General Meeting in respect thereof as if he were the registered holder of such shares; provided that at least forty-eight hours before the time of holding of the meeting or adjourned meeting as the case may be at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares and give such indemnity, if any as the directors may require, unless the Directors shall have previously admitted his right to vote at such meeting in respect thereof.

117. A member of unsound mind or in respect of whom an order has been made by any Court having jurisdiction in Lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian; and any such committee or guardian may, on a poll vote by proxy; if any member be a minor, the vote in respect of his share or shares shall be by his guardian, or anyone of his guardian, if more than one, to be elected in case of dispute by the Chairman of the meeting. Voting by members of unsound mind and minors
118. On a poll taken at a meeting of the Company, a member entitled to more than one vote, or his proxy, or other person entitled to vote for him as the case may be, need not, if he votes use all his votes or cast in the same way all the votes he uses. Right of member to use his votes differently
119. Subject to the provisions of the Act no member shall be entitled to be present or to vote at any General Meeting either personally or by proxy or be reckoned in a quorum whilst any call or other sum shall be due and payable to the Company in respect of any of the shares of such member. No member to vote unless calls are paid up
120. Any member entitled to attend and vote at a meeting of the company shall be entitled to appoint another person (whether a member or not) as his proxy to attend and vote instead of himself but a proxy so appointed shall not have any right to speak at the meeting. Proxies
121. Every proxy shall be appointed by an instrument in writing signed by the appointor or his attorney duly authorised in writing, or if the appointor is a body corporate be under its seal or be signed by an officer or an attorney duly authorised by it. Appointment of proxy
122. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy thereof shall be deposited at the office of the Company or such place or places (if any) as may be specified for that purpose in the notice convening the meeting not less than forty-eight hours before the time for holding the meeting at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution except in the case of the adjournment of any meeting first held previously to the expiration of such time. An attorney shall not be entitled to vote unless the power of attorney or other instrument appointing him or a notarially certified copy thereof has either been registered in the records of the Company at any time not less than forty-eight hours before the time for holding the meeting at which the attorney proposes to vote or is deposited at the office of the Company not less than forty-eight hours before the time fixed for such a meeting as aforesaid. Notwithstanding that a power of attorney or other authority has been registered in the records of the Company, the Company may by notice in writing addressed to the member or the attorney given at least fourteen days before the meeting require him to produce the original power of attorney or authority and unless the same is thereon deposited with the Company not less than forty-eight hours before the time fixed for the meeting the attorney shall not be entitled to vote at such meeting unless the Directors in their absolute discretion excuse such non-production and deposit. Deposit of instrument of appointment of proxy
123. An instrument appointing a proxy shall be in the following form or shall contain words to the following effect :- Form of Proxy
- I/We.....of.....in the district of.....being a member/members of the above named company hereby appoint.....of.....in the district of.....as my/our proxy to vote for me/us on my/our behalf at the Annual

General Meeting/ Extraordinary General Meeting of the Company to be held on the.....day of.....and at any adjournment thereof.

Signed this.....day of.....19.....

Custody of the instrument of proxy

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

Validity of votes given by proxy not withstanding death of member

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

Time for objections to Vote

126. Subject to the provisions of the Act and these articles, no objection shall be made to the validity of any vote except at the meeting or poll at which such vote shall be tendered and every vote whether given personally or by proxy or by any means hereby authorised and not disallowed at such meeting or poll shall be deemed valid for all purposes of such meeting or poll whatsoever.

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

127. Subject to the provisions of the Act and these articles the chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting and subject as aforesaid the Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.

DIRECTORS

Number of Directors

128. (1) Unless otherwise determined by a General Meeting the number of Directors shall not be less than three and nor more than twelve including the special referred to in Article 129(a), the ex-officio director referred to in Article 129(6) and the Debenture Director referred to in Article 130.

First Directors

(2) The signatories to the Memorandum and Articles of Association shall be the first Directors of the Company.

Nominee Directors

129. (a) The Company shall, subject to the provisions of the Act, be entitled to agree with any person, firm or corporation that he or it shall have the right to appoint his or its nominee on the Board of Directors of the Company upon such terms and conditions as the company may deem fit. Such nominees and their successors in office appointed under this Article shall be called Nominee Director of the Company.

Term of office of Nominee Directors

(b) The Nominee Directors appointed under sub-clause (a) above shall be entitled to hold office until requested to retire by the person, firm or corporation who may have appointed them and will not be bound to retire by rotation or be subject to Articles referring to retirement of Directors by rotation. A special Director shall also not be required to hold any qualification shares. As and whenever a Nominee Director vacates office whether upon request as aforesaid or by death, resignation or otherwise the person, firm or corporation who appointed such Nominee Director may appoint any other Director in his place. The Nominee Director may at any time, by giving notice in writing to the Company resign his office. Subject as aforesaid, a Nominee Director shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.

- (c) The Company may agree with any financial institution or any other authority or person, state or Institution that in consideration of any loan or financial assistance of any kind whatsoever which may be rendered by it, it shall have the power to nominate a Director of the Company (ex-Officio Director) during the currency of the loan or other financial assistance and from time to time remove and reappoint him, and to fill in the vacancy caused by the death or resignation of any such Director or caused by such Director otherwise ceasing to hold office. Such nominated Director shall not be required to hold any qualification shares and he shall not be liable to retire by rotation and shall be taken into consideration for the purposes of computing the maximum number of Directors provided for in the Article 128 above. Ex-officio Director
130. Any trust Deed securing debentures or debenture stock may if so arranged provided for the appointment from time to time by the Trustees thereof or by the holders of the debentures or debenture stock of some person to the Director of the Company and may empower such trustees or holders of debentures or debenture-stock from time to time remove any Director so appointed. The Director appointed under this Article is herein referred to as the "Debenture Director" and the term Debenture Director means the Director for the time being in office under this Article. The Debenture Director shall not be bound to hold any qualification shares and shall not be liable to retire by rotation or subject to the provisions of the Act, to be removed by the Company. The trust Deed may contain such ancillary provisions as may be arranged between the Company and the Trustees and all such provisions shall have effect notwithstanding any of the other provisions herein contained. Debenture Directors
131. The Board of Directors of the Company may appoint an Alternate Director to act for a Director (hereinafter called "the Original Director") during his absence for the period of not less than three months from the State where the registered office of the company is situated and such appointment shall have effect and such appointee, whilst he holds office as an Alternate Director, shall be entitled to notice of meetings of the Directors and to attend and vote thereat accordingly. An alternate Director appointed under this Article shall not hold office as such for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to the said State. If the term of office of Original Director is determined before he so returns to the said State any provisions in the Act or in these Articles for the automatic re-appointment of the retiring Director in default of another appointment shall apply to the original Director and not to the Alternate Director. Appointment of Alternate Director
132. Subject to the provision of Section 262(2) and 284(6) and other applicable provisions (if any) of the Act, any casual vacancy occurring in the office of a Director whose period of office is liable to determine by retirement by rotation may be filled up by the Director at a meeting of the Board. Any person so appointed shall hold office only upto the date upto which the Director in whose place he is appointed would have held office, if the vacancy had not occurred. Casual Vacancy
133. Subject to the provisions of Section 260 and other applicable provisions (if any) of the Act, the Directors shall have power at any time and from time to time to appoint a person or persons as an Additional Director or Directors. The Additional Director shall hold office till the date of the next following Annual General Meeting but shall be eligible for re-appointment. Appointment of Additional Director
134. A Director of the Company shall not be required to hold any qualification shares. Qualification of Directors

Remuneration of Directors
Amended vide
A.G.M. Resolution
dated 30.12.1988 and
29.09.2006

Directors not bonafide residents of the place where meeting of the Board of Committee are held may receive extra compensation and remuneration

Special remuneration to Director going out of the place where he normally resides on the Company's business or otherwise performing extra services

Directors may act notwithstanding vacancy

When Office of Director to become vacant

135. (1) The fees payable to a director for attending a meeting of the Board or Committee thereof shall be the amount as fixed by Board of Directors or the shareholders of the Company as the case may be from time to time within the maximum limits of such fees that may be prescribed under the proviso to Section 310 of the Companies Act, 1956. Subject to the limitations provided by the Act such additional remuneration, as may be fixed by the Directors, may be paid to any one or more of the Directors for services rendered by him or them and the Directors shall be paid further remuneration (If any) as the Company in General Meeting shall from time to time determine, and such further remuneration shall be divided among the Directors in such proportions and manners as the Directors may from time to time determine, and in default of such determination, equally. Such remuneration and/or additional remuneration may be by way of salary or commission as laid down in section 309, 349, 350 and 351 on net profits or by participation in profits or by any or all of those modes.
- (2) The Directors may, subject as aforesaid, allow and pay to any Director, who is not a bonafide resident of the place where a meeting is to be held and who shall come to such place for the purpose of attending a meeting, his actual expenditure for travelling, boarding, lodging and other expenses, in addition to his fees for attending such meeting as above specified, and the Directors may from time to time fix the remuneration in addition to the fees laid down by Article 135 (1) to be paid to any member or members of their body constituting a committee appointed by the Directors in terms of these Articles, and may pay the same.
- (3) Subject to the provisions of Section 309 and 310 of the Act if any Director, being willing, shall be called upon to perform extra services or to make any, special exertion in going or residing out of place where he normally resides or otherwise for any of the purposes of the Company, the Company shall, subject as aforesaid, remunerate such Director or where there is more than one such Director to all of them together either by a fixed sum or by a percentage of profits or otherwise as may be determined by the Directors and such remuneration may be either in addition to or in substitution for the remuneration above provided.
136. The continuing Directors may act notwithstanding any vacancy in their body; but so that subject to the provisions of the Act if the number falls below the minimum number above fixed and notwithstanding the absence of a quorum, the Directors may act for the purpose of filling up vacancies or for summoning a General Meeting of the Company.
137. (1) Subject to the provisions of Section 283 (2) of the Act, the office of a Director shall become vacant if :-
- (a) he is found to be of unsound mind by a Court of competent jurisdiction; or
 - (b) he applies to be adjudicated an insolvent; or
 - (c) he is adjudged an insolvent; or
 - (d) he fails to pay any call made on him in respect of shares of the Company held by him, whether alone or jointly with others within six months from the last date fixed for the payment of the call unless the Central Government has by notification in the Official Gazette, removed the disqualification incurred by such failure.

- (e) any office or place of profit under the Company or any subsidiary thereof is held by him in contravention of Section 314 of the Act; or
- (f) he absents himself from three consecutive meetings of the Board of Directors or from all meetings of the Board of Directors for a continuous period of three months, whichever is longer without obtaining leave of absence from the Board of Directors; or
- (g) he becomes disqualified by an order of the Court under Section 203 of the Act; or
- (h) he is removed in pursuance of Section 284 of the Act; or
- (i) he (whether by himself or by any person for his benefit or on his account) or any firm in which he is a partner or any private company of which he is a Director, accepts a loan or any guarantee or security for a loan from the Company in contravention of Section 295 of the Act; or
- (j) he acts in contravention of Section 299 of the Act and by virtue of such contravention shall have been deemed to have vacated office; or
- (k) he is convicted by a Court of any offence involving moral turpitude and sentenced in respect thereof to imprisonment for not less than six months; or
- (l) he having been appointed a Director by virtue of his holding any office or other employment in the company ceases to hold such office or other employment in the company.

- (2) Subject to the provisions of the Act, a Director may resign his office at any time by giving notice in writing addressed to the company or to Board of Directors. Resignation
138. (1) Subject to the provisions of sub-clauses (2), (3), (4) and (5) of this article and the restrictions imposed by Article 145 and the other Articles hereof and the Act and the observance and fulfilment thereof, no director shall be disqualified by his office from contracting with the company for any purpose and in any capacity whatsoever including either as vendor, purchaser, agents broker or otherwise, nor shall any such contract, or any contract or arrangement entered into by or on behalf of the company in which any Director shall be in any way interested be avoided nor shall any Director, so contracting or bring so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason only of such Director holding that office, or of the fiduciary relation there by established, but it is hereby declared that the nature of his interest must be disclosed by him as provided by sub-clauses (2) and (4) hereof. Directors' may contract with Company
- (2) Every Director who is any way whether directly or indirectly concerned or interested in any contract or arrangement or proposed contract or arrangement entered into or to be entered into by or on behalf of the Company shall disclose the nature of his concern or interest at a meeting of the Board of Directors or as provided in Clause (4) hereof. Disclosure of Interest
 - (3) (a) In the case of a proposed contract or arrangement, the disclosure required to be made by a Director under sub-clause (2) above, shall be made at the meeting of the Board at which the question of entering into the contract or arrangement is first taken into consideration, or if the Director was not at the date of the meeting concerned or interested, the Director concerned shall take reasonable steps to ensure that it is brought up and read at the first meeting of the Board after it is given. When disclosure to be made

General Notice of Interest

(b) In the case of any other contract or arrangement, the required disclosure shall be made at the first meeting of the Board held after the Director becomes concerned or interested in the contract or arrangement.

(4) For the purpose of this Article, a General Notice to be given to the Board of Directors by a Director to the effect that he is a Director or member of a specified body corporate or is a member of a specified firm and is to be regarded as concerned or interested in any contract or arrangement which may after the date of the notice be entered into with that body corporate or firm shall be deemed to be sufficient disclosure of his concern or interest in relation to any contract or arrangement so made. Any such general notice shall expire at the end of the financial year in which it is given but may be renewed for further periods of one financial year at a time by a fresh notice given in the last month of the financial year in which it would have otherwise expired. The General Notice aforesaid and any renewal thereof shall be given at a meeting of the Board of Directors or the Director concerned shall take reasonable steps to secure that it is brought up and read in the first meeting of the Board after it is given.

Interested Director not to participate or voting in Board's proceedings

(5) An interested Director shall not take any part in the discussion of or vote on, any contract or arrangement entered into or to be entered into by or on behalf of the company, if he is in any way directly or indirectly concerned or interested in the contract or arrangement; nor shall his presence count for the purpose of forming a quorum at the time of any such discussions or vote; and if he does vote, his vote shall be void;

Provided that this prohibition shall not apply;

(i) To any contract of Indemnity against any loss which the Directors or anyone or more of them may suffer by reason of becoming or being sureties or a surety for the Company;

(ii) to any contract or arrangement entered into with a public company or a private company which is subsidiary of a public company in which the interest of the Directors consists solely in his being a director of such company and the holder of not more than shares of such number or value therein as is requisite to qualify him for appointment as a Director thereof he having been nominated as such director by the company or in his being a member holding not more than two percent of the paid up share capital of such company whichever is greater;

(iii) in case notification is issued under sub-section (3) of Section 300 of the Act to the extent specified in the notification.

Register of contracts in which Directors are interested

139. (1) The Company shall keep one or more Registers in accordance with Section 301 of the Act in which shall be entered separately particulars of all contracts or arrangements to which Section 297 or Section 299 of the Act applies including the following particulars to the extent they are applicable in each case, namely:-

(a) the date of the contract or arrangement;

(b) the names of the parties thereto;

(c) the principal terms and conditions thereof;

(d) in the case of a contract to which Section 297 of the Act applies or in the case of a contract or arrangement to which sub-section (2) or Section 299 of the Act applies, the date on which it was placed before the Board;

(e) the names of the Directors voting for and against the contract or arrangement and the names of those remaining neutral.

- (2) Particulars of every such contract or arrangement to which section 297 of the Act or as the case may be, sub-section (2) of Section 299 of the Act applies, shall be entered in the relevant Register aforesaid;
- (a) in the case of a contract or arrangement requiring the Board's approval, within seven days (exclusive of Public Holidays) of the meeting of the Board at which the contract arrangement is approved;
- (b) in the case of any other contract or arrangement, within seven days of receipt at the Registered office of the Company of the particulars of such other contract or arrangement or within thirty days of the date of such other contract or arrangement whichever is later;
- and the Register shall be placed before the next meeting of the Board and shall then be signed by all the Directors present at the meeting.
- (3) The Register aforesaid shall also specify, in relation to such Director of the Company, the names of the firms and bodies corporate of which notice has been given by him under sub-section (3) of Section 299 of the Act.
- (4) Nothing in the foregoing sub-clauses (1), (2) and (3) shall apply to any contract or arrangement for the sale, purchase or supply of any goods, materials and services, if the value of such goods and materials or the cost of such services does not exceed five thousand rupees in the aggregate in any year. The Registers as aforesaid shall be kept at the registered office of the company and they shall be open to inspection at such office and extracts may be taken from any of them and the copies thereof may be required by any member of the Company to the same extent in the same manner and on payment of the same fee as in the case of the Register of Members.

140. A Director of this company may be, or become a Director of any Company promoted by this company, or in which it may be interested as a Vendor, member or otherwise and subject to the provisions of the Act and these articles no such Director shall be accountable for any benefits received as a Director or member of such Company. Directors may be directors of Companies promoted by the company
141. A Director, Managing Director, Manager or Secretary of the Company shall within twenty days of his appointment to or relinquishment of his office as Director, Managing Director, Manager or Secretary in any other body corporate disclose to the Company the particular relating to his office in the other body corporate which are required to be specified under Section 303 (1) of the Act. The Company shall enter the aforesaid particulars in a register kept for that purpose in conformity with Section 303 of the Act. The Company shall also furnish the aforesaid particulars to the Registrar in accordance with Section 303 (2) of the Act. Disclosure by Director of appointments
142. A Director or Manager shall give notice in writing to the Company of his holding of shares and debentures of the Company or its subsidiary, together with such particulars as may be necessary to enable the company to comply with the provisions of Section 307. If such notice be not given at a meeting of the Board, the Director or Manager shall take all reasonable steps to secure that it is brought up and read at the meeting of the Board next after it is given. The Company shall enter particulars of a Director's and Manager's holding of shares and debentures as aforesaid in a Register kept for that purpose in conformity with Section 307 of the Act. Disclosure of holdings
143. (1) Except with the consent of the Company accorded by a special resolution:- Directors not to hold office of profit
- (a) no Director of the Company shall hold any office or place of profit and

- (b) no partner or relative of such a Director, no firm in which such a Director or relative is a partner, no private company of which such a Director is a Director or member, and no Director, or Manager of such a Private Company shall hold any office or place of profit carrying a total monthly remuneration such sum as may be prescribed.

except that of Managing Director, Manager, Banker, or Trustee for the holders of debentures of the company.

- (i) under the Company; or
(ii) under any subsidiary of the Company, unless the remuneration received from such subsidiary in respect of such office or place of profit is paid over to the Company or its holding Company;

Provided that it shall be sufficient if the special resolution according to the consent of the Company is passed at the General meeting of the Company held for the first time after the holding of such office or place of profit;

Provided further that where a relative of a Director or a firm in which such relative is a partner, is appointed to an office or place or place of profit under the Company or a subsidiary thereof without the knowledge of the Director, the consent of Company may be obtained either in the General Meeting aforesaid or within three months from the date of the appointment, whichever is later.

Explanation:— For the purpose of this clause a special resolution according to consent shall be necessary for every appointment in the first instance to an office or place or profit on a higher remuneration not covered by the special resolution, except where an appointment on time scale has already been approved by the special resolution.

- (2) Nothing in clause (1) above shall apply where a relative of a Director or a firm in which such relative is a partner holds any office or place of profit under the Company or subsidiary thereof having been appointed to such office or place of profit before such Director becomes a Director of the Company.

- (3) Notwithstanding anything contained in clause (1) above :-

- (a) no partner or relative of a Director or manager,
(b) no firm in which such Director or Manager, or relative of either, is a partner,

shall hold any office or place of profit in the company which carries a total monthly remuneration of not less than such sums as may be prescribed except with the prior consent of the Company by a special resolution and the approval of the Central Government.

- (4) If any office or place of profit is held in contravention of the provision of clause (1) above, the Director, Partner, Relative, firm or private company concerned shall be deemed to have vacated his or its office as such on and from the date next following the date of the General meeting of the Company referred to in the first provision or, as the case may be, the date of the expiry of the period of three months, referred to in the second proviso to that clause, and shall also be liable to refund to the Company any remuneration received or the monetary equivalent of any perquisite or advantage enjoyed by him or it for the period immediately preceding the date aforesaid in respect of such office or place of profit. The Company shall not waive recovery of any sum refundable to it under this clause unless permitted to do so by the Central Government;

- (5) Every individual, firm, private company or other body corporate proposed to be appointed to any office or place of profit to which this Article applies shall, before or at the time of such appointment, declare in writing whether he or it is or is not connected with a Director of the Company in any of the ways referred to in clause (1) hereof.
- (6) If any office or place of profit referred to in clause (3) is held, without the prior consent of the company by a special resolution and the approval of the Central Government, the partner, relative, firm or private company appointed to such office or place of profit shall be liable to refund to the company any remuneration received or the monetary equivalent of any perquisites or advantage enjoyed by him on and from the date on which the office was so held by him.
- (7) The company shall not waive the recovery of any sum refundable to it under clause (6) unless permitted to do so by the Central Government.
- (8) Any office or place shall be deemed to be an office or place of profit under the Company within the meaning of this article.
- (a) in case the office or place is held by a Director and the Director holding it obtains from the Company anything by way of remuneration over and above the remuneration to which he is entitled as such Director, whether as salary, fees, commission, perquisites, the right to occupy free of rent any premises as a place of residence or otherwise.
- (b) in case the office or place is held by an individual other than a Director or by any firm, private company or other body corporate the individual, firm, private company or body corporate holding it, obtains from the Company anything by way of remuneration, whether as salary, fees commission, perquisites the right to occupy free of rent any premises as a place of residence or otherwise.
144. The Company shall observe the restrictions imposed on it in regard to the granting of loans to Directors and other persons as provided in Section 295 and other applicable provisions, if any, of the Act. Loans to Directors
145. (1) Except with the consent of the Board of Directors of the Company a Director of the Company or his relative firm in which such a Director or relative is a partner, any other partner in such a firm or a private company of which the Director is a member or Director, shall not enter into any contract with the Company (a) for the sale purchase or supply of any goods, materials services or (b) for underwriting the subscription of any shares in or debentures of Company. Board Resolution necessary of contracts
- (2) Nothing contained in the foregoing clause (1) shall affect :-
- (a) The purchase of goods and materials from the Company, or the sale of goods and materials to the company, by any Director, relative, firm, partner or private company as aforesaid for cash at the prevailing market price; or
- (b) any contract or contracts between the company on one side and any such Director, relative, firm, partner, or private company on the other for the sale, purchase or supply of any goods, materials and services in which either the company or the Director, relative, firm, partner or private company as the case may be, regularly trades or does business.

Provided that for the purpose of clauses (a) and (b) above such contracts do not relate to goods and services the value of which exceeds five thousand rupees in the aggregate in any year comprised in the period of the contract or contracts.

- (3) Notwithstanding anything contained in sub-clause (1) and (2) above a Director, relative, firm, partner or private company as aforesaid may, in circumstances of urgent necessity, enter, without obtaining the consent of the Board, into any contract with the company for the sale, purchase or supply of any goods, materials or services even if the value of goods or cost of such services exceeds five thousand rupees in the aggregate in any year comprised in the period of the contract; but in such a case the consent of the Board shall be obtained at a meeting held within three months from the date on which the contract was entered into.
- (4) Every consent of the Board required under this Article shall be accorded by a resolution passed at a meeting of the Board and not otherwise; and the consent of the Board required under Clause (1) above shall not be deemed to have been given within the meeting of that clause unless the consent is accorded before the contract is entered into or within three months of the date on which it was entered into.
- (5) If consent is not so accorded to any contract under this Article anything done in pursuance of the contract shall be voidable at the option of the Board.
- (6) The Directors so contracting or being so interested shall not be liable to the Company for any profit realised on any such contract or the fiduciary relation thereby established.

RETIREMENT AND ROTATION OF DIRECTORS

Retirement by rotation

146. (1) Not less than two-third of the total number of Directors of the Company shall be persons whose period of office is liable to determination by retirement of Directors by rotation, and save as otherwise expressly provided in the Act and these Articles be appointed by the Company in General Meeting.
- (2) The remaining Directors shall be appointed in accordance with the provisions of these Articles and particularly in accordance with provisions of Articles 129 and 130.

Directors to retire annually how determined

- (3) At the first Annual General Meeting of the Company all the Directors of the Company as are liable to retire by rotation and at every subsequent Annual General Meeting 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.

Ascertainment of Directors retiring by rotation

147. Subject to the provisions of the Act and these Articles, the Directors to retire by rotation under the foregoing Article at every Annual General Meeting shall be those who have been longest in the office since their last appointment, but as between persons who became Directors on the same day, those who are to retire shall in default of and subject to any agreement among themselves, be determined by lots. Subject to the provisions of the Act, a retiring Director shall remain in office until the conclusion of the meeting at which his re-appointment is decided or his successor is appointed.

Eligibility for re-appointment

148. Subject to the provisions of Act and these Articles, a retiring Director shall be eligible for re-appointment.

149. The Company at the Annual General Meeting at which a Director retires in manner aforesaid, may fill up the vacated office by electing the retiring Director or some other person thereto. Company to fill up vacancy
150. (1) If the place of the retiring Director or Directors is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week at the same time and place, or if that day is a public holiday till the next succeeding day which is not a public holiday, at the same time and place. Provisions in default of appointment
- (2) If at the adjourned meeting also, the place of the retiring Director or Directors is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to be reappointed at the adjourned meeting unless:-
- (a) at the meeting or at the previous meeting a resolution for the reappointment of such Director or Directors has been put to the meeting and lost;
 - (b) the retiring Director or Directors has or have by a notice in writing addressed to the company or its Board of Directors, expressed his or their unwillingness to be so re-appointed;
 - (c) he is or they are not qualified or is or are disqualified for appointment;
 - (d) a resolution, whether special or ordinary, is required for their appointment or re-appointment by virtue of any provisions of the Act;
 - (e) Article 152 or sub-section (2) of Section 263 of the Act is applicable to the case.
151. (1) Subject to the provisions of the Act and these Articles, any person who is not a Retiring Director shall be eligible for appointment to the office of the Director at any General Meeting, if he or some member intending to propose him has, at least fourteen clear days before the meeting, left at the registered office of the Company a notice in writing under his hand signifying his candidature for the office of Director or the intention of such member to propose him as a candidate for that as the case may be alongwith a deposit of five hundred rupees which shall be refunded to such person, or as the case may be, to such member, if the person succeeds in getting elected as a Director. Notice of candidature for office of Director
Amended vide
A.G.M. Resolution
dated 30.12.1988
- (2) Every person (other than a Director retiring by rotation or otherwise or a person who has left at the Registered Office of the Company a notice under sub-clause (i) of this Article or Section 257 of the Act signifying his candidature for Director) proposed as a candidate for the office of a Director shall sign and file with the Company his consent in writing to act as a Director if appointed.
- (3) On receipt of the notice referred to in this Article, the Company shall inform its members of the candidature of that person for the office of a Director or of intention of a member to propose such person as a candidate for that office, by serving individual notice on Members not less than seven days before the meeting provided that it shall not be necessary for the Company to serve individual notices upon the members if the Company advertises such candidature or intention not less than seven days before the meeting in at least two newspapers circulating in the city, town or village in which the Registered office of the Company is situated, of which one is published in the English language and the other in the regional language.

- (4) A person other than;
 - (a) A Director re-appointed after retirement by rotation or immediately on the expiry of the term of his office; or,
 - (b) an additional or alternate Director, or a person filling a casual vacancy in the office of a Director under section 262 of the Act appointed as a Director or re-appointed as an additional or alternate Director, immediately on the expiry of his term of office; or
 - (c) a person named as a Director of the Company under these articles as first registered shall not act as a Director of the Company unless he has within thirty days of his appointment signed and filed with the Registrar his consent in writing to act as such Director.

Individual
resolution for
Director

152. At a General Meeting of the Company, a motion shall not be made for appointment of two or more persons as Directors of the Company by a single resolution unless a resolution that it shall be so made has first been agreed to by the meeting without any vote being given against it. A resolution moved in contravention of this Article shall be void whether or not objection was taken at the time of its being so moved; provided that where a resolution so moved is passed no provision for the automatic re-appointment of retiring Directors by virtue of these Articles or the Act in default of another appointment shall apply.

Removal of
Director

153. (1) The Company may (subject to the provisions of Section 284 and other applicable provisions of the Act and these Articles) remove any Director before the expiry of his period of office.
- (2) Special notice as provided by Article 94 and Section 190 of the Act shall be given of any resolution to remove a Director under this Article or to appoint some other person in place of a Director so removed at the meeting at which he is removed.
- (3) On receipt of notice of any such resolution to remove a Director under this Article, the Company shall forthwith send a copy thereof to the Director concerned, and the Director (whether or not he is a member of the Company) shall be entitled to be heard on the resolution at the meeting.
- (4) Where notice is given of a resolution to remove a Director under this article and the Director concerned makes with respect thereto representations in writing to the Company (not exceeding a reasonable length) and requests their notification to members of the Company, the Company shall unless the representation is received by it too late for it to do so (a) in the notice of the resolution given to the members of the Company state the fact of the representation having been made; and (b) send a copy of the representation to every member of the Company and if a copy of the representation is not sent as aforesaid because it was received too late or because of the Company's default, the Director may (without prejudice to his right to be heard orally) require that the representation shall be read out at the meeting; provided that copies of the representation need not be sent or read out at the meeting if on the application either of the Company or of any other person who claims to be aggrieved, the Court is satisfied that the rights conferred by this sub-clause are being abused to secure needless publicity for defamatory matter.
- (5) A vacancy created by the removal of a Director under this article may, if he had been appointed by the Company in General Meeting or by the Board in pursuance of Article 132 or section 262 of the Act, be filled by the appointment of another Director in his stead by the meeting at which he is removed,

provided special Notice of the intended appointment has been given under Sub-clause (2) hereof. A Director so appointed shall hold office until the date upto which his predecessor would have held office if he had not been removed as aforesaid.

- (6) If the vacancy is not filled under Sub-clause (5) it may be filled as a casual vacancy in accordance with the provisions, in so far they are applicable or Article 132 or Section 262 of the Act and all the provisions of that Section shall apply accordingly.
- (7) A Director who was removed from the office under this Article shall not be appointed as additional Director by the Board of Directors.
- (8) Nothing contained in the Article shall be taken :-
 - (a) As depriving a person removed thereunder of any, compensation or damages payable to him in respect of the termination of his appointment as Director of any appointment terminating with that as Director; or
 - (b) As derogating from any power to remove a Director which may exist apart from this Article.

INCREASE OR REDUCTION IN THE NUMBER OF DIRECTORS

154. Subject to the provisions of the Act and these Articles, the Company may by Ordinary Resolution from time to time increase or reduce, within the maximum limit permissible, the number of Directors, Central Government and shall become void if and so far it is disapproved by the Government.

The Company may increase or reduce number of Directors and alter their qualifications

PROCEEDINGS OF BOARD OF DIRECTORS

155. The Directors may meet together as a Board for the despatch of business from time to time unless the Central Government by virtue of proviso to Section 285 otherwise directs, and shall so meet at least once in every three calendar months and at least four such meetings shall be held in every calendar year, and they may adjourn and otherwise regulate their meetings and proceedings as they deem fit. The provisions of the Articles shall not be deemed to be contravened merely by reason of the fact that meeting of the Board which had been called in compliance with the terms herein mentioned could not be held for want of a quorum.

Meeting of Directors

156. A Director or the Managing Director may at any time and the Managing Director upon the request of the Director shall convene a meeting of the Directors. Notice of every meeting of the Directors of the Company shall be given in writing to every Director for the time being in India and at his usual address in India. The accidental omissions to give notice of any such meeting of the Board of Directors to a Director shall not invalidate any resolution at any such meeting.

When meeting to be convened and notice thereof

157. Subject to the provision of the Section 287 and other applicable provisions (if any) of the Act, the quorum for a meeting of the Board of Directors shall be one-third of the total strength of the Board of Directors (excluding Directors, if any, whose place may be vacant at the time and any fraction contained in that one-third being round off as one) or two Directors, whichever is higher; provided that where at any time the number of interested Director exceeds or is equal to two-thirds of the total strength, the number of remaining Directors, that is to say, the number of Directors who are not so interested and are present at the meeting not being less than two shall be the quorum during such meeting. A meeting of the Directors for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and directions by or under the Act or the Articles of the Company, for the time being vested in or exercisable by the Board of Directors generally.

Quorum

- Adjournment of meeting for want of quorum
158. If a meeting of the Board cannot be held for want of quorum then the meeting shall stand adjourned to the same day in the next week or if that day is a public holiday till the next successive day which is not a public holiday at the same time and place or at such other place as the Directors present at the meeting may fix.
- Appointment of Chairman
159. The Directors may elect a Chairman of their meetings and determine the period for which he is to hold office. But if no such Chairman is elected or if at any meeting the Chairman is not present within five minutes after the time appointed for holding the same, the Directors present may choose one of their number to be Chairman of the meeting.
- Who to preside at meeting of the Board
160. All meetings of the Directors shall be presided over by the Chairman present, but if at any meeting of the Directors the Chairman be not present at the time appointed for holding the same, then in that case, the Managing Director, if present, shall be the Chairman of such meeting, and if the Managing Director be also not present, then in that case, the Directors shall choose one of the Directors then present to preside at the meeting.
- Question at Board Meeting how decided (Casting Vote)
161. Questions arising at any meeting shall be decided by a majority of votes and in case of an equality of votes, the Chairman of the meeting whether the Chairman appointed by virtue of these Articles or the Directors presiding at such meeting, shall have second or casting vote.
- Directors may appoint Committee
162. Subject to the provisions of Section 292 of the Act and Article 168 the Directors may delegate any of their powers, to Committee(s) consisting of such member or members of their body as they think fit, and they may from time to time revoke and discharge any such Committee(s) either wholly or in part, and either as to persons or purposes; but every Committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on it by the Directors. All acts done by any such committee in conformity with such regulations and in fulfilment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board, subject to the provisions of the Act, the Board may from time to time fix the remuneration to be paid to any member or members of their body constituting a Committee appointed by the Board in terms of these Articles, and may pay the same.
- Meetings of Committees how to be convened
163. The meetings and proceedings of any such committee consisting of two more Directors shall be governed by the provisions herein contained for regulating the meeting and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the proceedings Articles.
- Resolution by circular
164. (1) A resolution passed by circulation without a meeting of the Board or a committee or the Board appointed under Article 162, shall subject to the provisions of Clause 2 hereof and the Act, be as valid and effectual as a resolution passed at a meeting of the Board or of a Committee duly called and held.
- (2) A resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation, if the resolution has been circulated in draft together with the necessary papers, if any to all Directors or to all members of the Committee then in India (not being less in number than the quorum) for a meeting of the Board or the Committee as the case may be and to all other Directors or members of the Committee at their usual address in India and has been approved by such of the Directors or members of the Committee as are then in India or by a majority of such of them as are entitled to vote on the resolution.

(3) Subject to the Provisions of the Act a statement signed by the Managing Director or other person authorised in that behalf by the Directors certifying the absence from India of any Director shall for the purpose of this Article be conclusive.

165. Subject to the provisions of the Act and these articles all acts done by any meeting of the Directors or by a Committee of Directors or by any person acting as a Director, shall, notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or person acting as aforesaid, or that they or any of them were or was disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed and was qualified to be as a Director; provided that nothing in this article shall be deemed to give validity to acts done by the Directors after their appointment had been shown to the Company to be invalid or to have been terminated,

Act of Board or Committee valid notwithstanding defect of appointment

166. The Company shall cause Minutes of Meetings of the Board of Directors and of Committees of the Board to be duly entered in a book or books provided for the purpose in accordance with the relevant provisions of Section of the Act. The minutes shall contain a fair and correct summary of the proceedings of the meeting including the following:-

Minutes of proceedings of Board of Directors and Committees to be kept

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

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

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

POWER OF DIRECTORS

168. (1) Subject to the provisions of the Act and these Articles the Board of Directors of the Company shall be entitled to exercise all such powers and to do all such acts and things as the Company is authorised to exercise and do, provided that the Board shall not exercise any powers or do, any act or things which is directed or required whether by the Act or any other law or by the Memorandum of these Articles or otherwise to be exercised or done by the Company in General Meeting provided further that in exercising any such power or doing any such act or thing the Board shall be subject to the provisions contained in that behalf in the Memorandum or in these Articles or in any regulations no inconsistent there-with duly made thereunder including regulations made by the Company in General Meeting.

General power of Directors

- (2) No regulation made by the Company in general meeting shall invalidate any prior act of the Board which would be valid if that regulation had not been made.

Consent of
Company necessary
for the exercise of
certain powers

169. The Board of Directors shall not except with the consent of the Company in general meeting.

- (a) Sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company, or where the company owns more than one undertaking, of the whole or substantially the whole, of any such undertaking.
- (b) remit or give time for the repayment of any debt due by a director;
- (c) Invest otherwise than in trust securities, the amount of compensation received by the company in respect of the compulsory acquisition of any such undertaking as is referred to in Sub-clause (a) above or of any premises or properties used for any such undertaking and without which it cannot be carried on or can be carried on only with difficulty or only after a considerable time.
- (d) Borrow moneys in excess of the limits provided in Article 75;
- (e) Contribute to Charitable and other funds not directly relating to the business of the company or the welfare of its employees, any amounts the aggregate of which will, in any financial year, exceed fifty thousand rupees or five percent of its average net profits determined in accordance with the provisions of sections 349 and 350 of the Act during three financial years immediately proceeding, whichever is greater.

Certain powers to
be exercised by the
Board only at
meeting

170. (1) Without derogating from the power vested in the Board of Directors under these Articles the Board shall exercise the following powers on behalf of the company and shall do so only by means of resolution passed at meeting of the Board.

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

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

- (2) Every resolution delegating the power referred to in sub-clause (1) (c) shall specify the total amount outstanding any time upto which moneys may be borrowed by the delegate. Provided, however, that where the company has an arrangement with its bankers for the borrowing of moneys by way of over draft, cash credit or otherwise the actual day to operation of the over draft, cash credit and or other account by means of which the arrangement is made is availed of shall not require the sanction of the Board.
- (3) Every resolution delegating the power referred to in sub-clause (1) (d) shall specify the total amount upto which the funds may be invested and the nature of the investments which may be made by the delegates.

- (4) Every resolution delegating the power referred to in sub-clause (1) (e) shall specify the total amount upto which loans may be made by the delegate; the purpose for which the loans may be made and the maximum amount of loan which may be made.
- (5) Nothing contained in this Article shall be deemed to affect the right of the Company in General Meeting to impose restrictions and conditions on exercise by the Board of any of the powers referred to in sub-clauses (a), (b), (c) and (e) of Clause (1) above.
171. Without prejudice to the powers conferred by Articles 75 and 168 and so as not in any way to limit or restrict those powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in Articles 169 and 170 it is hereby declared that the Directors shall have the following powers, that is to say, power,
- (1) To pay all costs, charges and expenses preliminary and incidental to the promotion, establishment and registration of the Company. Certain Express powers of the Board
To pay preliminary and promotional costs and charges
- (2) To pay and charge to the capital of the Company any commission or interest lawfully payable there at under the provisions of Sections 76 and 208 respectively of the Act and Articles 15 and 181. To pay commission and interest
- (3) Subject to the provisions of Sections 292, 297 and 360 of the Act and Articles 169 and 144 to purchase or otherwise acquire for the Company property, rights or privileges which the Company is authorised to acquire at or for such price or consideration and generally on such terms and conditions as they may think fit; and in any such purchase or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory. To acquire any property
- (4) Subject to the provisions of the Act, to purchase, or take on lease for any term or terms of years, to otherwise acquire any factories or any land or lands, with or without buildings and out houses thereon, situated in any part of India, at such price or rent, and under and subject to such terms and conditions as the Directors may think fit; and in any such purchase, lease or other acquisition proceedings to accept such title as the Directors may believe or may be advised to be reasonably satisfactory. To purchase lands and factories
- (5) To erect and construct, on the said land or lands, buildings, houses, warehouses, and sheds and to alter, extend improve the same; to let or lease the property of the Company, in part or in whole, for such rent, and subject to such conditions, as may be thought advisable; to sell such portions of the lands of buildings of the Company as may not be required for the purposes of the Company; to mortgage the whole or any portion of property of the Company for the purposes of the Company; to sell all or any portion of the machinery or stores belonging to the Company. To erect buildings
- (6) At their discretion and subject to the provisions of the Act to pay for any property or rights acquired by, or service rendered to the Company, either wholly or partly in cash, or in shares bonds, debenture-stock, mortgage or other securities of the Company, and any such shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon, and any such bonds, debentures, debenture-stock, mortgage or other securities may be either specifically charged upon all or any part of the property of the company and its uncalled capital or not so charged. To pay for property in debentures and otherwise

- To insure properties of the Company
- (7) To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, produce and other moveable property of the Company either separately or conjointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.
- To open Account with Bank
- (8) To open accounts with any bank or bankers or with any Company, firm and to pay money into and draw money from any such account from time to time as the Directors may think fit.
- To secure contract by mortgage
- (9) To secure the fulfilment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such other manner as they may think fit.
- To attach conditions of transfer to any share
- (10) To attach to any shares to be issued as the consideration or part of the consideration for any contract with or property acquired by the Company, or in payment for service rendered to the Company, such condition as to the transfer thereof as they think fit.
- To accept surrender of shares
- (11) To accept from any member on such terms and conditions as shall be agreed a surrender of his shares or stock or any part thereof, so far as may be permissible by law.
- To appoint trustees
- (12) To appoint any person or persons (whether incorporated or not) to accept and hold in trust for the Company any property belonging to the Company or in which it is interested, or for any other purposes, and to execute and do shall such deeds and things as may be required in relation to any such trust and or provide for the remuneration of such trustee or trustees.
- To bring and defend action
- (13) To institute, conduct, defend, compound or abandon any legal proceeding by or against the Company or its officers, or otherwise concerning the affairs of the Company and also to compound and allow time for payment or satisfaction of any debt due, or of any claims or demands by or against the Company.
- To refer to arbitration
- (14) To refer any claim or demand by or against the Company or any difference to arbitration and observe and perform any awards made thereon.
- To act in insolvency matters
- (15) To act on behalf of the Company in all matters relating to bankrupts and insolvents.
- To give receipts
- (16) To make and give receipts, release and other discharges for moneys payable to the Company and for the claims and demands of the Company.
- To authorise acceptance
- (17) To determine from time to time who shall be entitled to sign, on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend, warrants, releases, contracts and documents and to give the necessary authority for such purposes.
- To investment
- (18) Subject to the provisions of the Act and these Articles to invest and deal with any moneys of the Company not immediately required for the purposes thereof upon such security and other investments (not being shares of this Company) or without security and in such manner as they may think fit, and from time to time to vary or realise such investments. Provided that save as permitted by Section 49 of the Act all investments shall be made and held by *the Company in its own name.*

- (19) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or as security for the benefit of the company such mortgage of the Company's property (present and future) as they think fit, and such mortgage may contain a power of sale and such other powers, covenants, provisions and agreements as shall be agreed upon. To execute Mortgages
- (20) To distribute by way of bonus amongst the staff of the company part of the profits of the Company, and to give to any officer or other person employed by the Company a commission on the profit of any particular business or transaction; and to charge such bonus or commission as part of the working expenses of the Company. To distribute bonus
- (21) Subject to the provisions of the Act, to give to any officer or other person employed by the Company an interest in any particular business or transaction by way of a share in General profits of the Company, and such share of profits shall be treated as a part of the working expenses of the Company. Arrangements for sharing profits
- (22) To provide for the welfare of employees or ex-employees of the Company and its Directors or Ex-Directors and the wives, widows, and families and the dependants or connections of such persons, by building of houses; dwellings or quarters or by grant of money, pensions, gratuities, allowances, bonuses, profit sharing bonuses or benefits of any other payment, or by creating and from time to time subscribing or contributing to provident and other funds, profit sharing or other schemes or trust and by providing or subscribing towards place of instruction and recreation, hospitals, and dispensaries, medical and other attendances and other forms of assistance, welfare of reliefs as the Directors shall think fit. To provide for welfare of employees and to subscribe to Provident Fund
- (23) Subject to the provisions of Sections 293 and 293A of the Act to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national, public institutions objects or purposes or for any exhibition. To subscribe to charitable and other funds
- (24) Before recommending any dividend, to set aside out of the profits of the Company such sums as they may think proper for depreciation or to a Depreciation Fund, Insurance Fund, General Reserve Fund, Sinking Fund, or any special or other fund or funds or account or accounts to meet contingencies or to pay Redeemable Preference shares, debentures or debenture stock or special dividends, and for equalising dividends, and for repairing, improving extending and maintaining any part of the property of the Company and/or for such purposes (including the purposes referred to in the last two preceding sub-clauses) as the Directors may in their absolute discretion think conducive to the interests of the company and to invest the several sums so set aside or as much thereof as are required to be invested upon such investments (subject to the restrictions imposed by the Act) as the Directors may think fit, and from time to time to deal with and vary any such investments and dispose of and apply and expend all or any part thereof for the benefit of the Company, in such manner and so for such purpose as the Directors (subject to such restrictions as aforesaid) in their absolute discretions think conducive to the interests of the Company notwithstanding that the matters to which the Directors apply or upon which they expend the same or any part thereof may be matters to which the Directors apply or upon which the capital or moneys of the Company might rightly be applied or expended and to divide the Reserve, General Reserve, or the Reserve Fund into such special funds as the Directors
- To create depreciation or other funds

may think fit and to employ the assets constituting all or any of the above funds or accounts including the Depreciation Fund appointed out of net profits in the business of the Company or in the purchase or repayment of Redeemable Preference Shares, debentures or debenture-stock and that without being bound to keep the same separate from the other assets, and without being bound, to allow to pay interest on the same with power however to the Directors at their discretion to pay or allow to the credit of such fund interest at such rate as the Directors may think proper.

To appoint employees

(25) Subject to the provisions of the Act, to appoint and at their discretion remove or suspend such manager, secretaries, officers, clerks, agents and employees for permanent, temporary or special service as they may from time to time think fit and to determine their powers and duties, and fix their salaries or emoluments and require security in such instances and to such amounts as they may think fit and also without prejudice as aforesaid, from time to time to provide for the management and transaction of the affairs of the company in any specified locality in India or elsewhere in such manner as they think fit and the provisions contained in sub-clauses (27), (28), (29) and (30) following shall be without prejudice to the general powers conferred by this sub-clause.

To comply with local laws

(26) To comply with the requirements of any local laws which in their opinion it shall in the interest of the Company be necessary or expedient to comply with.

Local Board

(27) From time to time and at any time to establish any local Board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any persons to be members of any Local Board, or any managers or agents, and to fix their remuneration.

Delegation

(28) Subject to the provisions of Section 292 of the Act and Article 170 from time to time, and at any time to delegate to any such Local Board or any member or members thereof or any managers or agents so appointed by powers, authorities, and discretions for the time being vested in the Board of Directors, and to authorise the members for the time being of any such Local Board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation under this sub-clause shall be subject to such conditions as the Board of Directors may at any time remove any person so appointed, and may annul or vary any such delegation.

Power of Attorney

(29) At any time from time to time by power of attorney to appoint any person or persons to be the attorney or attorneys of the company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board of Directors under these presents and excluding the power which may be exercised only by the Board of Directors at a meeting of the Board under the Act or these Articles or by the Company in general meeting) and for such period and subject to such conditions as the Board of Directors may from time to time think fit and any such appointment may (if the Board of Directors think fit) be made in favour of the member or any of the members of any Local Board; established as aforesaid or in favour of any company or the members, directors, nominees or managers of any company or firm or otherwise in favour of any body of persons whether nominated directors and any such power of attorney as aforesaid to sub-delegate all or any of the powers and authorities for the time being vested in them.

To delegate

(30) Subject to the provisions of the Act and these Articles, to delegate the powers, authorities and discretions vested in the Directors to any person, firm, company or fluctuating body of persons as aforesaid.

- (31) Subject to the provisions of the Act and these Articles for or in relation to any of the members aforesaid or otherwise for the purposes of the company, to enter into all such negotiations and contracts and rescind and vary all such contracts and execute and do all such acts, deeds, and things in the name and on behalf of the company as they may consider expedient for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company.

To enter into contract

MANAGING DIRECTOR, MANAGING DIRECTORS OR WHOLETIME DIRECTOR OR WHOLETIME DIRECTORS

172. Subject to the provisions of Section, 269, 316 and 317 and other applicable provisions of the Act, and these Articles the Board may, from time to time, appoint one or more Directors to be Managing Director or Managing Directors or a wholetime Director or wholetime Directors of the company for such term not exceeding five years at a time 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 from office and appoint another or to others in his place or places.
173. Subject to provisions of the Act and of these Articles the Managing Director or Managing Directors, or wholetime Director or wholetime Directors shall not while he or they, continue to hold that office be subject to retirement by rotation, but he shall subject to the provisions of any contract between him or them and the company, be subject to the same provisions as to resignation and removal as the other Directors of the Company and he or they shall ipso facto and immediately cease, to be a Managing Director or Managing Directors or wholetime Director or whole time Directors if he or they cease to hold the office of Director from any cause.
174. The remuneration of the Managing Director or Managing Directors or a wholetime Director or wholetime Directors (subject to the provisions of Section 309 and other applicable provisions of the Act and of any contract between him or them and the Company) shall be in accordance with the terms of his or their contract with the Company.
175. Subject to the provisions of the Act and to the terms of any resolution of the Company in general meeting or of any resolution of the board and to the terms of any contract with him or them, the Managing Director or Managing Directors shall function under the general superintendence, control and direction of the Board of Directors and subject to such limitation thereon as may be placed by them.

Power to appoint Managing Director or wholetime Director

What provisions he shall be subject to

Remuneration of Managing Director

Power and Duties of Managing Director

SECRETARY

176. Subject to the provisions of Section 383 A of the Act, the Directors may appoint a Secretary of the Company for such term, at such remuneration and upon such condition as they may think fit and the Secretary so appointed may be removed by them. The Directors may appoint a temporary substitute for the Secretary, who shall for the purpose of these presents, be deemed to be the Secretary. The main function of the Secretary shall be the responsibility for maintaining registers required to be kept under the Act, for making the necessary documents registered with the Registrar and for carrying out all other administrative and ministerial acts, duties and functions which a Secretary of a Company is normally supposed to carry out, such as giving the necessary notices to the members, preparing agendas of meetings, issuing notice to Directors, preparing minutes of meetings of members and Directors and of any other statutory documents, and, he shall carry out and discharge such other functions and duties that the Directors or the Managing Directors may from time to time require him to do.

Secretary

REGISTERS, BOOKS AND DOCUMENTS

Registers, Books
and documents to
be maintained by
the Company

177. (1) The company shall maintain all Registers, Books and Documents as required by the Act or these Articles including the following namely:-
- (a) Register of Investments not held in the Company's name according to Section 49 of the Act.
 - (b) Register of Members and Index of Members according to Section 150 and 151 of the Act.
 - (c) Register of Debentures and charges According to Section 143 of the Act.
 - (d) Register and Index of Debenture-holders according to Section 152 of the Act.
 - (e) Register of contracts with and of Companies and Firms in which Directors are interested according to Section 301 of the Act, and shall enter therein the relevant particulars contained in Sections 297 and 299 of the Act.
 - (f) Register of Directors and Managing Directors according to Section 303 of the Act.
 - (g) Register of shareholding and debenture holdings of Directors according to Section 307 of the Act.
 - (h) Registers of investments of shares or debenture of bodies corporate according to section 372 of the Act.
 - (i) Books of Account in accordance with the provisions of Section 209 of the Act.
 - (j) Copies of instruments creating any charges requiring registration according to Section 136 of the Act.
 - (k) Copies of annual Returns prepared under Section 159 of the Act together with the copies of the certificates required under Section 161 of the Act.
 - (l) Register of Renewed Duplicate Certificate according to Rule 7(2) of the Companies (Issue of Shares Certificates) Rules, 1960.
 - (m) Register of deposits within the meaning of Section 58-A.
- (2) The said Registers, Books and Documents shall be maintained in conformity with the applicable provisions of the Act and shall be kept open for inspection for such persons as may be entitled thereto respectively, under the Act, on such days and during such business hours as may, in that behalf be determined in accordance with the provisions of the Act, or these Articles and extract shall be supplied to those persons entitled thereto in accordance with the provisions of the Act or these Articles.
- (3) The Company may keep a Foreign Register of Members in accordance with Sections 157 and 158 of the Act, Subject to the provisions of Sections 157 and 158 the Directors may from time to time make such provisions as they may think fit in respect of the keeping such Branch Registers of Members and/or debenture holders.

THE SEAL

- Seal
178. The Director shall provide a seal for the company, and shall have power from time to time destroy the same and substitute a new seal in lieu thereof, and Directors shall provide for the safe custody of the seal for the time being and the seal shall never be used except by or under the authority of the Directors or a Committee of Directors previously given, and in the presence of a Director of the company or such other persons appointed by the Directors for the purpose.

179. Subject to the provisions relating to the issue of share certificates, every Deed or other instrument to which the seal of the company is required to be affixed, shall unless the same is executed by a duly constituted attorney of the company, be signed by the Managing Director or by two Directors; provided nevertheless that certificates of debentures may be signed by one Director only or by the secretary of the company or by an attorney of the company duly authorised in this behalf and certificates of shares shall be signed as provided in Articles (16). Deeds how executed
180. The Company may exercise the power conferred by Section 50 of the Act and such powers shall accordingly be vested in the Directors. Seals abroad

INTEREST OUT OF CAPITAL

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

DIVIDENDS

182. The profits of the company, subject to the provisions of these Articles, shall be divisible among the members in proportion to the amount of capital paid up on the shares held by them respectively. Provided always that any capital paid up on a share during the period in respect of which a dividend is declared, shall unless the terms of issue otherwise provide only entitle the holder of such share to an apportioned amount of such dividend proportionate to the capital from time to time paid up during such period on such share. Division of Profits
183. Where capital is paid up in advance of calls upon the footing that the same shall carry interest such capital shall not whilst carrying interest confer a right to dividend or to participate in profits. Capital paid up in advance at interest not to earn dividend
184. The Company may pay dividend in proportion to the amount paid up or credited as paid up on each share, where a larger amount is paid up or credited as paid up on some shares than on others. Dividends in proportion to amount paid up
185. The Company in General Meeting may, subject to the provisions of section 205 of the Act, declare a dividend to be paid to the members according to their respective rights, and interests in the profits and subject to the provisions of the Act may fix the time for its payment. When a dividend has been so declared either the dividend shall be paid or the warrant in respect thereof shall be posted within 42 days of the date of the declaration to the shareholders entitled to the payment of the same. The Company in General Meeting may declare a dividend
186. No larger dividend shall be declared than is recommended by the Director but the Company in General Meeting may declare a smaller dividend. No dividend shall be payable except out of the profits of the year or any other undistributed profits of the Company, or otherwise than in accordance with the provisions of sections 205, 206 and 207 of the Act and no dividend shall carry interest as against the Company. The declaration of the Directors as to the amount of the net profits of company shall be conclusive. Power of Company to limit dividend
187. Subject to the provisions of the Act, the Directors may, from time to time pay to the members such interim dividends as in their Judgement their position of the Company justifies. Interim Dividend

Retention of dividends until completion of transfer under Article 57

Inserted vide A.G.M. Resolution dated 27.09.1989

No member to receive dividend whilst indebted to the Company and Company's right of re-imburement thereout

Transfer of Share must be registered

Dividends how remitted

Dividend shall not be forfeited

Dividend and call together

Unpaid or Unclaimed Dividend
Inserted vide A.G.M. Resolution dated 29.09.2006

188. Subject to the provisions of the Act, the Directors may retain the dividends payable upon any shares in respect of which any person is under Article 57 hereof, entitled to become a member or which any person under that Article is entitled to transfer until such person shall become a member in respect of such shares or shall duly transfer the same. The provisions of this Articles shall apply to any interest created in a share either by reason or transmission or by operation of law or otherwise.

188A. Where any instrument of transfer of shares has been delivered to the Company for registration and the transfer of such shares has not been registered by the Company, it shall notwithstanding anything contained in any provisions of the Act,

(i) Transfer the dividend in relation to such shares to a special account referred to in Section 205 A of the Act, unless the company is authorised by the registered holder of such shares in writing to pay such dividend to the transferee specified in such instrument of transfer; and

(ii) Keeping in abeyance in relation to such shares any offer of right shares under Clause (a) of Sub-Section (1) of Section 81 of the Act, and any issue of fully paid up bonus shares in pursuance of Sub-Section 3 of Section 205 or the said Act.

189. Subject to the provisions of the Act no member shall be entitled to receive payment of any interest or dividend in respect of his shares, whilst any money may be due or owing from him to the Company in respect of such share or shares or otherwise however either alone or jointly with any other person or persons; and the Directors may deduct from the interest or dividend payable to any member all sums of money due from him to the Company.

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

191. Unless otherwise directed any dividend may be paid by cheque or warrant sent through post to the Registered address of the member or person entitled to the share or in case of joint holders to that one of them first named in the Register in respect of the joint holding. Every such cheque or warrant shall be made payable to the order of the person to whom it sent. The Company shall not be liable or responsible for any cheque or warrant lost in transmission or for any dividend lost to the member or other person entitled thereto by the forged endorsement of any cheque or warrant or the fraudulent or improper recovery thereof by any other means.

192. That there shall be no forfeiture of unclaimed dividends but shall be dealt with in accordance with Section 205A of the Companies Act ;

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

193A. Where the Company has declared a dividend but which has not been paid or claimed or the dividend warrant in respect thereof has not been posted within 30 days from the date of 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 30 days, open a special account in that behalf in any scheduled bank called Unpaid Dividend of Jaiprakash Enterprises Limited and transfer to the said account, the total amount of dividend which remains unpaid or in relation to which no dividend warrant has been posted.

Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the Company to the Investor Education and Protection Fund. No claim shall lie against the Fund or the Company in respect of unpaid/unclaimed dividend, which has been transferred to the Fund.

CAPITALISATION

194. (1) The Company in General Meeting may resolve that any amounts standing to the credit of the share Premium Account or the Capital Redemption Reserve Account or any monies, investments or other assets forming part of the undivided profits (including profits or surplus monies arising from the realisation) and where permitted by law from the appreciation in value of any capital assets of the company standing to the credit of the General Reserve, or any Reserve Fund or any other funds of the Company or in the hands of the Company and available for dividend be capitalised. Capitalisation
- (a) By the issue and distribution as fully paid up shares, debenture, debentures-stock, bond or other obligation of the Company, or
 - (b) By crediting shares of the Company which may have been issued and are credited as partly paid up with the whole or any part of the sum remaining unpaid thereon.

Provided that any amount standing to the credit of the Share Premium Account or the Capital Redemption Reserve Account shall be applied only in crediting the payment of shares of the Company to be issued to members (as herein provided) as fully paid bonus shares.

- (2) Such issue and distribution and such payment to the credit of unpaid share capital under (1) above shall be made to, among and in favour of the members or any class of them or any of them entitled thereto in accordance with their respective rights and interest and in proportion to the amount of capital paid up on the shares held by them respectively in respect of which such distribution or payment under (1) above shall be made on the footing that such members become entitled thereto as capital.
- (3) The Directors shall give effect to any such resolution and apply such portion of the profits, General Reserve or Reserve Fund or any other Fund or account as aforesaid as may be required for the purpose of making payment in full for the shares of the Company so distributed under (1) (a) above or (as the case may be) for the purpose of paying in whole or in part the amount remaining unpaid on the shares which may have been issued and are fully paid under (1) above provided that no such distribution or payment shall be made unless recommended by the Directors and if so recommended such distribution and payment shall be accepted by such members as aforesaid in full satisfaction of their interest in the said capitalised sum.
- (4) For the purpose of giving effect to any such resolution the Directors may settle any difficulty which may arise in regard to the distribution or payment as aforesaid as they think expedient and in particular they may issue fractional certificates and may fix the value for distribution of any specific assets and may determine that such cash payments be made to any members on the footing, of the value so fixed and may vest any such cash, shares, debentures, debenture-stock, bonds or other obligations in trustees upon such trusts for the persons entitled thereto as may seem expedient to the Directors and generally may make such arrangement for the acceptance, allotment and sale of such shares and fractional certificates or otherwise as they may think fit.

- (5) Subject to the provisions of the Act and these Articles in case where some of the shares of the Company are fully paid up and others are partly paid up only, such capitalisation may be effected by the distribution of further shares in respect of the fully paid shares, and by crediting the partly paid shares with the whole or part of the unpaid liability there on but so that as between the holders of the fully paid shares, and the partly paid shares the sum so applied in the payment of such further shares and in the extinguishment or diminution of the liability on the partly paid shares shall be so applied pro rata in proportion to the amount then already paid or credited as paid on the existing fully paid shares respectively.
- (6) When deemed requisite a proper contract shall be filled in accordance with the Act and the Board may appoint any person to sign such contract on behalf of the members entitled as aforesaid and such appointment shall be effective.

ACCOUNTS

Books of Account to be kept

195. (1) The Company shall keep at its Registered Office proper books of Account with respect to :
 - (a) All sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure take place.
 - (b) All sales and purchases of goods by the Company; and
 - (c) the assets and liabilities of the Company;

Provided that all or any of the books of account afore said may be kept at such other place in India as the Board of Directors may decide and when the Board of Directors so decides, the Company shall, within seven days of the decision, file with the Registrar of Companies notice in writing giving the full address, of that other place.
- (2) If the Company shall have a branch office, whether in or outside India, proper books of account relating to the transactions effected at the office shall be kept at that office, and proper summarised returns made up-to-date at intervals of not more than three months, shall be sent by the Branch office of the company to its Registered Office or other place in India, as the Board thinks fit where the main books of the Company are kept.
- (3) All the aforesaid books shall give a true and fair view of the affairs of the Company or its branch office, as the case may be, with respect to the matters aforesaid, and explain its transactions.
- (4) The books of Account and other books and papers shall be open to inspection by any Director during business hours.

Books of Account to be preserved

196. The books of Account of the Company relating to a period of not less than eight years immediately preceding the current year together with the vouchers relevant to any entry in such books of account shall be preserved in good order.

Inspection by Members of accounts and books of the Company

197. The Directors shall from time to time determine whether and to what extent and at what times and places and under what conditions and regulations the accounts and books of the Company or any of them shall be open to the inspection of members not being Directors and no member (not being a Director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Directors or by the Company in general meeting.

198. The Board of Directors shall lay before each Annual General Meeting a profit and loss account which shall relate :-
- Statement of
Accounts to be
furnished to
General Meeting
- (a) In case of the first Annual General Meeting of the Company, to the period beginning with the incorporation of the company and ending with day which shall not precede the day of the meeting by more than nine months; and
 - (b) In case of any subsequent Annual General Meeting of the Company, to period beginning with the day immediately after the period for which the account was last submitted and ending with the day which shall not precede the day of the meeting by more than six months, or in case where an extension of time has been granted for holding the meeting under the second proviso to sub-section (1) of section 166 by more than six months and the extension as granted. The period to which the account aforesaid relates is referred to in this Article as a "financial year" and it may be less or more than a calendar year, but it shall not exceed fifteen months; provided nevertheless it may be extended to eighteen months where special permission has been granted in that behalf by the Registrar.
199. (a) Subject to the provisions of Section 211 of the Act, every balance sheet shall give a true and fair view of the state of affairs of the company as at the end of the financial year and shall subject to the provisions of the said section, be in the form set out in part-I of Schedule VI of the Act, or as near thereto as circumstances admit or in such other form as may be approved by the Central Government either generally or in any particular case, and in preparation of the balance sheet due regard shall be had, as far as may be to the general instructions for the balance sheet under the heading "Notes" at the end of part.
- (b) Subject as aforesaid, every Profit and Loss Account shall give a true and fair view of the profit or loss of the Company for the financial year and shall subject as aforesaid, comply with the requirements of part-II of Schedule VI of the Act so far as they are applicable, thereto.
- (2) There shall be annexed to every balance sheet a statement showing the bodies corporate (including separately the bodies corporate in the same group with the meaning of section 372(10) of the Act in the shares of which investments have been made by it including all investments whether existing or not, made subsequent to the date at which the previous Balance Sheet was made out) and the nature and extent of the investment so made in each body corporate.
 - (3) So long as the Company is holding company having a subsidiary the company shall conform to Section 212 and other applicable provisions of the Act.
 - (4) If in the opinion of the Board, any of the current assets of the Company have not a value on realisation in the ordinary course of business at least equal to the amount at which they are stated, the fact that the Board is of that opinion, shall be stated.
200. (1) Every Balance Sheet and every Profit and Loss Account of the Company shall be signed on behalf of the Board of Directors, by the Secretary, if any, and by not less than two Directors of the Company, one of whom shall be the Managing Director where there is one and by the Secretary .
- Authentication of
Balance Sheet and
Profit and Loss
Account
- (2) Provided that when only one Director is for the time being in India, the Balance Sheet and profit and loss account shall be signed by such Director and in such a case there shall be attached to the Balance Sheet and the Profit and Loss account a statement signed by him explaining the reason for non-compliance with the provisions of sub-clause (1) above.

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

Profit and Loss Account to be annexed and Auditor's Report to be attached to the Balance Sheet

201. The Profit & Loss Account shall be annexed to the Balance Sheet and the Auditor's Report (including the auditors separate, special or supplementary reports if any) shall be attached thereto.

Board's Report to be attached to Balance Sheet

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

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

- (3) The Board shall also give the fullest information and explanation in its reports or in case falling under the proviso to Section 222 of the Act in an addendum to that report, on every reservation, qualification or adverse remark contained in the Auditors' Report.

- (4) The Board's Report and Addendum (if any) thereto shall be signed by its Chairman if he is authorised in that behalf by the Board and where he is not so authorised shall be signed by such number of Directors as required to sign the Balance Sheet and the Profit & Loss Account of the Company by virtue of sub-clauses (1) and (3) of Article 200.

- (5) The Board shall have the right to change any person not being a Director with the duty of seeing that the provisions of Clause (1) to (3) of this Article are complied with.

Right of members to copies of Balance Sheet and Auditors Report

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

ANNUAL RETURNS

Annual Returns

204. The company shall make the requisite Annual Returns in accordance with the provisions of section 159 and 161 of the Act, and shall file with the Registrar copies of the Balance Sheet and Profit and Loss account in accordance with section 210 of the Act.

AUDIT

Accounts to be Audited

205. Once at least in every year the accounts of the Company shall be balanced, audited and the correctness of the Profit and Loss Account and Balance Sheet ascertained by one or more Auditors.

206. (1) The Company at each Annual General Meeting shall appoint an auditor or auditors to hold office from the conclusion of the next Annual General Meeting as per provision of section 224 & 224-A of Act and shall within seven days of the appointment, give intimation thereof to every Auditor so appointed unless he is retiring auditor. Appointment of Auditors
- (2) At any annual General Meeting a retiring Auditor, by whatsoever authority appointed, shall be re-appointed, unless :- Automatic re-appointment of Auditors
- (a) He is not qualified for re-appointment ;
- (b) He has given the company notice in writing of his unwillingness to be re-appointed;
- (c) A resolution has been passed at the meeting appointing some body instead of him or providing expressly that he shall not be re-appointed ; or
- (d) Where notice had been given of an intended Resolution to appoint some person or persons in the place of a retiring auditor and by reason of the death, incapacity or disqualification of that person or of all those persons as the case may be, the resolution cannot be proceeded with.
- (3) Where at an Annual General Meeting no Auditors are appointed or re-appointed, the Central Government may appoint a person to fill the vacancy. Power of Central Government to fill vacancy
- (4) The Company shall within seven days of the Central Government's power under sub-clause (3) becoming exercisable, give notice of that fact to that Government. Company to intimate to Central Government
- (5) The first auditor of the Company shall be appointed by the Board of Directors within one month of the date of registration of the Company, and the Auditor or Auditors so appointed shall hold office until the conclusion of the first Annual General Meeting. Provided that the Company may, at a general meeting, remove any such auditor or shall or any of such auditors and appoint in his or their places any other person or persons who have been nominated for the appointment by any member of the Company and of whose nomination notice has been given to the members of the Company not less than fourteen days before the date of the meeting.
- (6) The Directors may fill any casual vacancy in the office of Auditor. But while any such vacancy continues, the surviving or continuing Auditor or Auditors (if any) may act, but where such vacancy is caused by the resignation of an Auditor, the vacancy shall only be filled by the Company in General Meeting. Casual Vacancy
- (7) A person other than a retiring Auditor, shall not be capable of being appointed at an Annual General Meeting unless special notice of a resolution for appointment of that person to the office of Auditor has been given by a member to the Company not less than fourteen days before the meeting in accordance with Section 190 of the Act, and the Company shall send a copy of any such notice to the retiring auditor and shall give notice thereof to the members in accordance with Section 190 of the Act, and all the other provisions of Section 225 of the Act shall apply in the matter. The provisions of this clause shall also apply to the Resolution that a retiring Auditor shall not be reappointed. Special notice required for appointment of person other than retiring auditor
- (8) The person qualified for appointment as auditors shall be only those referred to in section 226 of the Act. Qualifications and disqualifications of Auditors
- (9) None of the persons mentioned in Section 226 of the Act as are not qualified for appointment as Auditors, shall be appointed as Auditors of the Company.

Audit of Branch Office

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

Remuneration of Auditors

208. The remuneration of the Auditors of the Company shall be fixed by the Company in General Meeting except that the remuneration of the first Auditors appointed by the Board and or any Auditors appointed to fill any casual vacancy may be fixed by the Directors.

DOCUMENTS AND SERVICE OF DOCUMENTS

Service of documents how effected

209. (1) A document (which expression for this purpose shall be deemed to include and shall include any summons, notice, requisition, process, order, judgement or any other document in relation to or in the winding up of the Company) may be served or sent by the Company on or to any member either personally or by sending it by post to him to his registered or (if he has no registered address in India) to the address if any within India supplied by him to the Company.

(2) Where a document has been sent by post:

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

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

(i) in the case of a notice of a meeting at the expiration of fortyeight hours after the letter containing the notice is posted; and

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

Service on members having no registered address

210. If a member has no registered address in India and has not supplied to the Company an address within India for giving notice to him, a document advertised in a newspaper circulating in the neighbourhood of the Registered Office of the Company shall be deemed to be duly served on him on the day on which advertisement appears.

Service on person acquiring shares on death or insolvency of member

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

Persons entitled to notice of General Meeting

212. Subject to the provisions of the Act and these Articles notice of General Meeting shall be given:

(i) to members of the company as provided by Article 91 in any manner authorised by Articles 211 & 212 as the case may be or as authorised by the Act.

(ii) to the persons entitled to a share in consequence of the death or insolvency of a member as provided by Article 213 or as authorised by the Act.

- (iii) to the audit or auditors for the time being of the company, in any manner authorised by Article 211 or the Act in the case of any member or members of the company.
213. Subject to the provisions of the Act any document required to be served or sent by the Company on or to the members; or any of them, and not expressly provided for by these presents shall be deemed to be duly served or sent if advertised once in one daily English and one daily vernacular newspaper, circulating in the district in which the Registered Office of the Company is situated. Advertisement
214. Every person, who, by operation of law, transfer, or other means whatsoever, shall become entitled to any share, shall be bound by every document or notice in respect of such share which, previously to his name and address being entered on the Register, shall be duly served on or sent to the person from whom he derives his title to such share. Members bound by document given to previous holders
215. Any notice to be given by the Company shall be signed by the Managing Director or by such Director or Officer as the Directors may appoint and such signature may be written or printed or lithographed. Notice of Company and signature thereto
216. All notices to be given on the part of the members to the Company shall be left at or sent by post under certificate of posting by registered post to the Registered Office of the Company. Service of notice by members

AUTHENTICATION OF DOCUMENTS

217. Save as otherwise expressly provided in the Act of these Articles a document or proceeding requiring authentication by the company may be signed by a Director, the Managing Director or an authorised officer of the company and need not be under its seal. Authentication of documents and proceedings

WINDING UP

218. 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 possible 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 up, 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 paid up at the commencement of the winding up or which ought to have been paid up on the shares held by them respectively. But this Articles is without prejudice to the rights of the holders of shares issued upon special terms and conditions. Distribution of assets
219. (1) If the company shall be wound up, whether voluntarily or otherwise, the liquidators may, with the sanction of a special resolution but subject to the rights attached to any preference share capital, divide amongst the contributories, in specie 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 benefit of the contributories or any of them as the liquidators, with the like sanction shall think fit. Distribution of assets in specie or kind
- (2) If through expedient, any such decision may, subject to the provisions of the Act, be otherwise than in accordance with the legal rights of contributories (except where unalterably fixed by the Memorandum of Association) and in

particular any class may be given preferential or special rights or may be excluded altogether or in part but; in case any decision otherwise than in accordance with the legal rights of the contributories shall be determined, any contributory who would be prejudiced thereby shall have a right to dissent and ancillary rights as if such determination were a special Resolution passed pursuant to Section 494 of the Act.

- (3) In case any of the shares to be divided as aforesaid involve liability to calls or otherwise, any person entitled under such division to any of the said shares may within ten days after the passing of the special resolution by notice in writing intimate to the liquidators to sell his properties and pay him the net proceeds and the liquidators shall if practicable act accordingly.
220. A special resolution sanctioning a sale to any other company duly passed pursuant to section 494 of the Act, may, subject to the provisions of the Act in like manner as aforesaid determine that any shares or other consideration receivable by the liquidators be distributed amongst the members otherwise than in accordance with their existing rights and any such determination shall be binding upon all the members subject to the rights of dissent and consequential rights conferred by the said section.

Rights of Shareholders in case of sale

SECURITY CLAUSE

Security Clause

221. (a) Every director, manager, auditor, Treasurer, Trustee, member of a committee, officer, servant, agent, accountant or other person employed in the business of the Company, shall if so required by the Directors, before entering upon his duties, sign a declaration pledging himself to observe strict secrecy respecting all transactions and affairs of the company with the customers and the state of accounts with individuals and in matters related thereto, and shall by such 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 Directors or by law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions of these presents contained.
- (b) No member shall be entitled to visit or inspect the Company's works without the permission of the Directors or Managing Director or to require discovery of or any information respecting any detail of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade, or secret process, which may relate to the conduct of the business of the Company and which in the opinion of the directors it will be inexpedient in the interest of the member of the Company to communicate to the public.

INDEMNITY AND RESPONSIBILITY

222. (a) Subject to the provisions of Section 201 of the Act, every Director of the Company or the Managing Director, Manager, Secretary and other officer or employee of the Company and the Trustees (if any) for the time being acting in relating to any of the affairs of the company and every one of them shall be indemnified by the Company against, and it shall be the duty of the Directors out of the funds of the Company to pay, all costs, losses and expenses (including travelling expenses) which any such Director, Managing Director, officer or employee and the trustees (if any) for the time being acting in correlation to any of the affairs of the Company may incur or become liable to by reason of any contract entered into or any act or deed done by him as such Director, officer or servant or in any way in the discharge of his duties.

Directors' and others right to indemnity

- (b) Subject as aforesaid every Director, Managing Director, Manager, Secretary or other officer or employee of the Company or the Trustees (if any) for the time being acting in relation to any of the affairs of the Company and every one of them shall be indemnified against any liability incurred by him 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 application under Section 633 of the Act in which relief is given to him by the court.
223. Subject to the provisions of Section 201 of the Act, no Director or the Managing Director or other officer of the Company shall be liable for the acts, omissions, neglects, default, of any other Director or officer or for joining in any omission or other act for conformity, or for any loss or expenses suffered by the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company, or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested or for any loss or damage arising from the bankruptcy, insolvency, or tortious act of any person, company or corporation, with whom any moneys, securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgement or oversight on his part or for any other loss or damage or misfortune whatever shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty, wilful neglect or default.

Not responsible for
acts of others

	Name of Subscribers	Address and Description of Subscribers	Signature	Name, address & Description of Witness
1.	Pawan Kumar Jain S/o Shri Sumat Prasad Jain	3-Rajendra Place Distt. Centre, New Delhi-110 008 Business	Sd/-	<p>I witness the signatures of all the Subscribers Sd/- (L.C. Gupta) Chartered Accountant M. No. 5122 C/o Dass Gupta & Co. 122-124, Model Basti, New Delhi-110 005</p>
2.	Jaiprakash Gaur S/o Shri Baljeet Singh Sharma	A-9/27, Vasant Vihar New Delhi-110 057 Business	Sd/-	
3.	S.K. Jain S/o Shri Sumat Prasad Jain	B-1/12, Vasant Vihar, New Delhi-110 057 Business	Sd/-	
4.	B.M. Bansal S/o Shri Bhagwati Prasad	Station Road, P.O. Sabalgarh Distt. Morena (M.P.) Business	Sd/-	
5.	Gyan Prakash Gaur S/o Shri Baljeet Singh Sharma	E-7/10A, Vasant Vihar, New Delhi-110 057 Business	Sd/-	
6.	D.G. Kadkade S/o Shri Gopal Damodar Kadkade	16-Lytton Road, Dehradun (U.P.) Civil Engineer Business	Sd/-	
7.	Ajeet Kumar Jain S/o Shri Darbari Lal Jain	372, Civil Lines, Jhansi (U.P.) Business	Sd/-	
8.	N.C. Sharma S/o Late Shri Chandan Singh	Civil Lines, Opp. Distt. Hospital Bulandshahr (U.P.) Business	Sd/-	

New Delhi

Dated this 28th day of February 1978.

IN THE HIGH COURT OF JUDICATURE AT ALLAHABAD
ORIGINAL COMPANY JURISDICTION

ANNEXURE No...10.....

IN

COMPANY APPLICATION No..... OF 2009
[Under Section 391 read with Section 394 of the Companies Act]

IN THE MATTER OF AMALGAMATION OF :

JAYPEE HOTELS LIMITED
JAYPEE CEMENT LIMITED [
JAIPRAKASH ENTERPRISES LIMITED
GUJARAT ANJAN CEMENT LIMITED

WITH

JAIPRAKASH ASSOCIATES LIMITED

DISTRICT : GAUTAM BUDDHA NAGAR

1. JAIPRAKASH ASSOCIATES LIMITED
having its registered office at
Sector - 128, NOIDA- 201304
District Gautam Buddha Nagar, (UP). Transferee Company
2. JAYPEE HOTELS LIMITED
having its registered office at
Hotel Jaypee Palace, Fatehabad Road,
Agra, Uttar Pradesh.Transferor Company No. 1
3. JAYPEE CEMENT LIMITED
having its registered office at
5 Park Road, Hazratganj,
Lucknow 226 001Transferor Company No. 2
4. JAIPRAKASH ENTERPRISES LIMITED
having its registered office at
Sector - 128, NOIDA- 201304
District Gautam Buddha Nagar, (UP). Transferor Company No. 3
5. GUJARAT ANJAN CEMENT LIMITED
having its registered office at
Sector - 128, NOIDA- 201304
District Gautam Buddha Nagar, (UP)Transferor Company No. 4

..... **APPLICANTS**

ANX-10

ANNUAL REPORT
2007-08

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JAIPRAKASH ENTERPRISES LIMITED



Board of Directors :

Manoj Gaur
(Chairman)

N.C. Sharma
B.K. Taparia
Gunjit Singh
S.C. Bhargava
P. K. Jain
(Whole-time Director)

B.K. Jain
Rajiv Gaur

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COMPANY SECRETARY

Rajeev Kumar
Company Secretary

AUDITORS

L C Kailash and Associates
Chartered Accountants, New Delhi

BANKERS

Punjab National Bank
Oriental Bank of Commerce
State Bank of India
ICICI Bank Ltd.

REGISTERED & CORPORATE OFFICE

Sector-128, Noida-201304 (U.P.)

DELHI OFFICE

'JA House', 63, Basant Lok,
Vasant Vihar, New Delhi-110057

WORKS

19-20, Industrial Area,
Sikandrabad
Distt. Bulandshahr (U.P.)

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NOTICE

NOTICE is hereby given that the 30th Annual General Meeting of the Members of Jaiprakash Enterprises Ltd. will be held on **Wednesday, August 27, 2008** at 1.00 p.m. at the Registered Office of the Company at Sector 128, Noida-201304 (U.P.) to transact the following business:

ORDINARY BUSINESS:

- To receive, consider and adopt the audited Balance Sheet as at 31st March 2008, the Profit & Loss Account for the financial year ended on that date and the Reports of Directors and Auditors thereon.
- To appoint a Director in place of Sh. N C Sharma who retires by rotation and, being eligible, offers himself for re-appointment.
- To appoint a Director in place of Sh. B K Taparia who retires by rotation and, being eligible, offers himself for re-appointment.
- To appoint M/S L C Kailash And Associates, Chartered Accountants, as Auditors of the Company, to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

By order of the Board
 For JAIPRAKASH ENTERPRISES LTD.
(RAJEEV KUMAR)
 Company Secretary

Place : Noida
 Dated: 20th May, 2008

NOTES:

- A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE SCHEDULED TIME OF THE MEETING. A BLANK PROXY FORM IS ENCLOSED.**
- Corporate Members intending to send their respective authorized representatives are requested to send a duly certified copy of the Board resolution authorizing such representative to attend and vote at the Annual General Meeting.
- The Register of Members and Share Transfer Books of the Company shall remain closed from August 23, 2008 to August 27, 2008 (both days inclusive).
- Members who are holding shares in physical form are requested to notify the change in their addresses to the Company and always quote their Folio Numbers in all correspondence with the Company. In respect of holding in electronic form, members are requested to notify any change in address to their respective Depository Participants.
- Members who are still holding shares in physical form are advised to dematerialize their shareholding to avail the benefits of dematerialization which include easy liquidity since trading is permitted only in dematerialized form, electronic transfer, savings in stamp duty, prevention of forgery, etc.
- Shareholders having any query on accounts are requested to send them at least 7 days in advance to the Company to enable it to collect the relevant information.
- RELEVANT DETAILS IN TERMS OF CLAUSE 49 OF THE LISTING AGREEMENT IN RESPECT OF DIRECTORS RETIRING BY ROTATION AND PROPOSED TO BE BEING RE-APPOINTED ARE AS UNDER:-**

Shri N C Sharma

Shri N C Sharma, aged 73 years, holds Diploma in Civil Engineering. He has over 50 years experience in construction business.

Shri N C Sharma is Director of Jaiprakash Power Ventures Limited and Madhya Pradesh Jaypee Minerals Limited. He is also Chairman of Investors' Grievance & Share Transfer Committee of the Board of Directors of the Company.

Shri N C Sharma does not hold any share (either in his name or in the name of any other person on a beneficial basis) in the Company.

Shri B K Taparia

Shri B.K. Taparia, aged 67 years, holds degree in M. Com. and a Certified Associate of Institute of Bankers.

Shri Taparia has been a banker and Ex-Chairman & Managing Director of Industrial Reconstruction Bank of India (presently known as Industrial Investment Bank of India Ltd.). He is Director on the Boards of Jaypee Hotels Ltd., Jaiprakash Hydro-Power Ltd., Jaiprakash Power Ventures Ltd. and Jaiprakash Associates Ltd. He is the Chairman of Audit Committee of the Board of Directors of the Company.

Shri B.K. Taparia does not hold any share (either in his name or in the name of any other person on a beneficial basis) in the Company.

DIRECTORS' REPORT

To,
 The Members,
 The Directors of your Company present the 30th Annual Report together with Audited Accounts for the year ended 31st March 2008.

Working Results

The working results of the Company for the year under report are as under:-

	2007-2008		(Rs. in lacs)	
	2007-2008	2006-2007	2006-2007	2006-2007
Gross revenue and other income	15739.64		9,744.18	
Profit before Depreciation, Interest & taxation	3679.13		1252.67	
Less:				
-Depreciation	219.81		208.40	
-Interest	9.70	229.51	15.69	224.09
Profit before tax	3449.62		1028.58	
Less:				
-Provision for taxation	1051.87		165.74	
-Deferred Tax	(178.69)		119.39	
-Tax Paid for Earlier Years	51.81		79.10	
-Prior Period Adjustments (Net)	1.33	926.32	3.02	367.25
Profit After Tax	2523.30		661.33	
Add:				
-Profit brought forward from last year	3784.01		3122.68	
Less				
- Capitalised for issue Bonus Shares	2403.00	1381.01	—	3122.68
Balance carried to Balance Sheet		3904.31		3784.01

DIVIDEND

Keeping in view the need to conserve the resources, your Directors do not recommend any dividend for the year under report.

CHANGES IN SHARE CAPITAL

Your Company had issued and allotted Bonus shares to the members in the ratio of 9:1 i.e. 9(Nine) Equity Shares of Rs.10/- each for 1 (One) Equity Share of Rs.10/- held by them as on the Record Date, fixed for the same.

OPERATIONS

During the year under report, the gross revenue from Contract works, Technical Services and Transportation Business etc. was Rs 15739.64 Lacs and the Profit after Tax stood at Rs. 2523.30 Lacs during the year 2007-08.

The Company's Construction Division has contracts pending execution aggregating Rs. 2983.54 Lacs as on 31st March 2008, which are in different stages of completion and are to be executed over a period of 1 year.

DIRECTORATE

Shri N C Sharma and Shri B K Taparia, Directors shall retire at the ensuing Annual General Meeting and, being eligible, offer themselves for reappointment.

'GROUP'

For the purpose of Regulation 3(e)(i) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, the 'GROUP' constitutes Shri Jaiprakash Gaur, his associates and companies as disclosed to Stock Exchanges from time to time which include Jaiprakash Associates Ltd., Jaypee Hotels Limited, Jaypee Ventures Pvt. Ltd., Siddharth Utility Pvt. Ltd., Ironwill Holdings Pvt. Ltd., Ironwill Investments Pvt. Ltd., and Delhi Foams Pvt. Ltd. etc.

FIXED DEPOSITS

The Company has neither invited nor accepted any fixed deposits from the Public during the year under report.

NOTES ON ACCOUNTS

The observations of Auditors and notes on accounts are self-explanatory.

PARTICULARS OF EMPLOYEES

A statement showing the particulars of employees, pursuant to Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, is annexed and forms an integral part of this report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars with respect to Conservation of Energy, Technology Absorption, and Foreign Exchange Earnings and Outgo as per Section 217(1) (e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the Report of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended 31st March, 2008 are annexed to this report.

AUDITORS

M/s. LC Kailash And Associates, Chartered Accountants, Auditors of the company, retire at the conclusion of this Annual General Meeting and being eligible, offer themselves for re-appointment.

LISTING

Your Company is listed on the Stock Exchanges at Kanpur and Delhi and Annual Listing Fee for the Financial Year 2008-09 has been paid to them.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Companies Act, 1956, the Directors based on the representation received from the operating management and after due enquiry, confirm the following in respect of the audited annual accounts for the year ended 31st March, 2008: -

- i) that in the preparation of the annual accounts, the applicable accounting standards have been followed and that there were no material departures;
- ii) that the directors have in consultation with the Statutory Auditors, selected such accounting policies and applied them consistently and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company;
- iii) that the directors have taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- iv) that the annual accounts have been prepared on a going concern basis.

CORPORATE GOVERNANCE:

Reports on Corporate Governance and Management Discussion & Analysis in term of Clause 49 of the Listing Agreement are annexed and form part of this Annual Report. A Certificate from Practicing Company Secretary confirming compliance with the conditions of Corporate Governance is also annexed.

EMPLOYEE RELATIONS

The employee relations continued to be cordial throughout the year.

APPRECIATION

The Directors of your Company wish to place on record their appreciation to all employees of the Company for their excellent spirit with which the entire team of the Company worked at all its sites and offices and their sustained efforts and contribution to the operations of the Company. The Directors of your Company also wish to place on record their gratitude to the Bankers, Lenders, customers and various Government departments and undertakings for their valuable co-operation. The Board also wishes to thank the shareholders for the confidence reposed by them in the Company.

On behalf of the Board
MANOJ GAUR
Chairman

Dated : 20th May, 2008
Place : Noida

ANNEXURE TO THE DIRECTORS' REPORT

Information in pursuance of Sub-section 2A of Section 217 of the Companies Act, 1956 is given below:

Name of employees, designation/ Nature of Duties, Gross Remuneration (Rs.), Qualification, Age (in years), Total Experience (in years), Date of commencement of Employment, Previous Employment:

A. Employed throughout the year and in receipt of remuneration aggregating Rs. 24,00,000/- or more
1. Shri P K Jain, Whole-Time Director, Rs. 36,34,072/-, M.A., 59, 37, 01.02.2001, Jaiprakash Associates Limited.

B. Employed for part of the year and in receipt of remuneration aggregating Rs. 2,00,000/- or more per month
NIL

Notes:

1. Gross remuneration includes Salary, House Rent and other perks like Medical Reimbursement, Leave Travel Assistance, Furnishing Allowance, and Company's Contribution towards Provident Fund etc. but excludes provision for Gratuity & Leave Encashment.
2. Shri P K Jain is brother of Shri B K Jain, Director of the company.
3. The Whole-Time Director holds office for a period of five years from the date of appointment/ re-appointment.

Information pursuant to Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 forming part of the Report of the Directors for the year ended 31st March 2008

A. Conservation of Energy

The Company is mainly engaged in the Construction Business and operates at various locations and mainly uses electric energy from client(s) for implementation of the various projects undertaken by it.

The Company ensures that all possible measures are taken to conserve energy including identification of potential areas of saving energy, installation of energy efficient equipment and usage of energy efficient lamps and compact fluorescent lamps wherever possible.

This has resulted in decrease in overall energy consumption due to energy efficient measures.

Information in Form A, as prescribed for certain Industries, is not applicable to the company.

B. Research & Development

Research and Development work in respect of new engineering techniques for achieving higher efficiencies is a continuous process in the Company.

C. Technology Absorption, adaptation and innovation

For efficient execution of the contracts awarded to the Company, it uses various equipments in order to ensure usage of contemporary technology, which eventually results in cost reduction, and utilization of various resources to its optimum level.

D. Foreign Exchange Earnings & Outgo

Particulars of Foreign Exchange earnings and outgo are given in Notes to Accounts.

REPORT ON CORPORATE GOVERNANCE

Corporate Governance:

Commitment to values, efficiency, fairplay and transparency are the corner stones of the principles of Corporate Governance.

1 COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company as a part of Jaypee Group is committed to attain highest standards of Corporate Governance. The Company's philosophy on Corporate Governance emanates from its commitment for the highest level of transparency and accountability towards its shareholders, customers, employees, Banks and the Government etc., while maintaining steady focus for creating wealth for shareholders on sustainable basis.

2. BOARD OF DIRECTORS

The constitution of the Board aims at ensuring Directors commitment to participate in the affairs of the Company with understanding and competence to deal with current and emerging business issues.

The Company's policy does not prescribe any pre-determined or specific tenure for Directors (except Managing and Whole-time Directors who are appointed for a term of five years) as this has the inherent advantage of not losing valuable contribution from the Directors who, over the years, have developed insight into the Company and its affairs.

The Board of Directors comprised 8 Directors as on March 31, 2008. As per Clause 49 of the Listing Agreement, in case of a non-executive Chairman, at least one-third of the Board should comprise independent directors. Our Board, which is headed by non-executive Chairman, has three Independent Directors.

Details regarding the category of Directors, attendance of Directors at Board Meetings and the last Annual General Meeting (AGM), number of other Directorships and Committee positions held by them in other Companies as on March 31, 2008 are given below:

Name & Designation of the Directors	Category/ position	Last Annual General Meeting Attended	No. of Board Meetings Attended out of 5 meetings held during the year	No. of other Director-Ships*	Committee Positions Held **	
					Chairman	Member
Shri Manoj Gaur, Chairman	Non-executive/ Promoter	Yes	4	14	0	0
Shri N C Sharma	Non-Executive/ Promoter	No	5	1	1	0
Shri B K Taparia	Non-executive/ Independent	Yes	5	4	2	4
Shri S C Bhargava	Non-executive/ Independent	No	5	14	1	4
Shri Gunjit Singh	Non-executive/ Independent	No	5	2	1	4
Shri. P.K Jain, Whole-Time Director	Executive/ Promoter	Yes	5	2	0	2
Shri B K Jain	Non-Executive/ Promoter	No	0	1	0	0
Shri Rajiv Gaur	Non-executive/ Promoter	No	0	1	0	1

Notes:

1. *Other Directorships of only Indian Public Limited Companies have been considered pursuant to Clause 49 of Listing agreement.
2. **Committee positions of only 3 Committees namely Audit Committee, Investors'/ Shareholders' Grievance Committee and Remuneration Committee have been considered pursuant to Clause 49.

Number of Board Meetings held and dates thereof:

During the financial year 2007-08, five meetings of the Board of Directors were held. The meetings were held on 30th May 2007, 28th July 2007, 25th September 2007, 29th October 2007 and 22nd January 2008. The maximum time gap between two meetings was not more than four months.

Information Placed before The Board

Information placed before the Board of Directors broadly covered the items specified in Clause 49 of the Listing Agreement and such other items which are necessary to

facilitate meaningful and focused deliberations on issues concerning the Company and taking decision in an informed and efficient manner. Besides, the Directors on the Board have complete access to all information of the Company, as and when necessary.

3. CODE OF CONDUCT

The Board of Directors has laid down a Code of Conduct for all Board members and senior management of the Company, which is circulated amongst members of the Board and Senior Management personnel. All Board members and senior management personnel have, as on March 31, 2008, affirmed compliance with the Code of Conduct. A declaration to this effect, duly signed by the CEO is annexed and forms part of this report.

4. AUDIT COMMITTEE

As a measure of good Corporate Governance and to provide assistance to the Board of Directors in fulfilling the Board's oversight responsibilities, an Audit Committee has been constituted by the Board comprising three Directors with majority of them being independent. The Chairman of the Audit Committee is an Independent Director. The Company Secretary acts as Secretary of the Audit Committee. The terms of reference and powers of the Audit Committee are in keeping with those contained under Clause 49 of the Listing Agreement.

The Audit-Committee, inter-alia, reviews:

- Quarterly, half yearly and yearly financial results
- Annual Budget and Variance Reports
- Significant related party transactions
- All Audit Reports
- Recommendation for appointment and remuneration of Statutory Auditors
- Management discussions and analysis of financial conditions and results of operations

The meetings of the Audit Committee were held on 30th May 2007, 28th July 2007, 29th October 2007 and 22nd January 2008. The details of constitution of the Committee and attendance thereat are as under:

Name	Total Meetings held during the tenure of the member	Meetings attended
Shri B K Taparia, Chairman	4	4
Shri Gunjit Singh	4	4
Shri P K Jain	4	4

The Chairman of the Audit Committee attends the Annual General Meeting to answer shareholders queries, if any.

5. REMUNERATION PAID TO DIRECTORS FOR THE YEAR

Remuneration was paid to the Whole-time Director in the form of Salary and Perquisites.

Details of Remuneration paid to all the Directors for the year:

a) Executive Director (Whole-time Director)

Details of remuneration paid for the year ended March 31, 2008 to the Whole-Time Director is as under:

(Amount in Rs.)

Name	Designation	Salary (Rs)	Benefits (Rs)	Total (Rs)
Shri P.K. Jain	Whole-time Director & CEO	19,75,000	16,59,072	36,34,072

b) Non-Executive Directors

During the year under report, the Company has not paid any remuneration to Non-Executive Directors except sitting fee of Rupees 2,500/- upto 30th May 2007 and Rs. 20,000/- w.e.f. 28th July 2007 per meeting to each non-executive Director for attending meetings of the Board of Directors and Committees thereof. The criteria for payment of sitting fees to non-executive directors is based on the provisions of the Companies Act, 1956 and is within the statutory ceiling fixed in this regard.

Details of sitting fees paid to non-executive Directors during the year under report and the number of shares of the Company held by each Non-Executive Director are as under:

Name of the Director	Designation	Total sitting fee paid (Rs.)	No of Shares held on 31st March 2008
Shri. Manoj Gaur	Director/Chairman	82,500	-
Shri. N C Sharma	Director	2,25,000	-
Shri. B K Taparia	Director	1,45,000	-
Shri. S C Bhargava	Director	82,500	-
Shri Gunjit Singh	Director	1,65,000	-
Shri B K Jain	Director	-	-
Shri Rajiv Gaur	Director	-	-

This company has not issued any convertible instrument. Accordingly, none of the non-executive directors hold any convertible instrument in the company.

6. INVESTORS' GRIEVANCE AND SHARE TRANSFER COMMITTEE

The Board of the Company has constituted an Investor Grievance and Share Transfer Committee, comprising Shri N.C. Sharma as Chairman and Shri P.K. Jain, and Shri Rajiv Gaur as members. The Committee has been constituted to approve transfer of shares, transposition of names, consolidation of shares, issue of duplicate share certificates etc. and to look into redressal of shareholders' complaints like non-transfer of shares and non-receipts of Balance Sheet etc. During the year, seven meetings of the Committee were held.

During the year, the Company had received sixteen complaints from the Shareholders of the Company. All the complaints are resolved by the end of the year.

7. SUBSIDIARY COMPANIES

The Company does not have any subsidiary.

8. RISK MANAGEMENT

The Company manages risks as an integral part of its decision making process. The Audit Committee and Board of Directors are regularly apprised regarding key risk assessment and risk mitigation mechanism.

9. CEO/CFO CERTIFICATION

In terms of the requirements of clause 49 (v) of the Listing Agreement, the Whole-Time Director & CEO has submitted necessary certificate to the Board stating the particulars specified under the said clause. This Certificate has been reviewed by the Audit Committee and taken on record by the Board of Directors at the respective meetings held on 20th May 2008.

10. GENERAL BODY MEETINGS

The details of last three Annual General Meetings are mentioned below:

Year	Venue	Date	Time	Special Resolution Passed
2005	5, Park Road, Hazaratganj, Lucknow- 226001	27/09/2005	12:00 A.M.	
2006	5, Park Road, Hazaratganj, Lucknow- 226001	29/09/2006	11:00 A.M.	- Commencement of new business - Amendment in Articles of Association
2007	Sector- 128, Noida, Uttar Pradesh- 201304	30/08/2007	1:00 P.M.	

An Extra- Ordinary General Meeting of Members of the Company was held on 27th October 2007, in which Ordinary Resolutions were passed for: - a) Increase in Authorised Capital of the Company from Rs. 5,00,00,000/- to Rs. 30,00,00,000/-, and b) Issue of Bonus Shares in the Ratio of 9:1, i.e. Nine Equity Shares of Rs. 10/- each for every One Equity Shares held by the Shareholder as on the Record Date fixed for this purpose.

11. DISCLOSURES

- There were no materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, directors or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the Company at large. The related party transactions are duly disclosed in the Notes on Accounts to the Balance sheet.
- There were no cases of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority, on any matter related to capital markets, during the last three years.
- No treatment different from the Accounting Standards, prescribed by the Institute of Chartered Accountants of India, has been followed in the preparation of Financial Statements.
- The Company has not adopted any Whistle Blower Policy. However, the company has not denied access to any personnel to approach the Management or the Audit Committee on any issue.
- The Company has complied with the mandatory requirements of clause 49 of the Listing Agreement.
- The Company at present has adopted the non-mandatory requirement in regard to maintenance of non- executive Chairman's office.

12. SECRETARIAL AUDIT FOR RECONCILIATION OF CAPITAL

A qualified practicing Company Secretary carried out quarterly Secretarial Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit confirmed that the total issued/paid-up capital was in agreement with the aggregate of the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

13. MEANS OF COMMUNICATION

The quarterly, half yearly and annual results were published in Newspapers viz. Pioneer, Rashtriya Sahara and Dainik Jagran. The same were sent to Stock Exchanges where the shares of the company are listed and were also displayed on the website of the company www.jel.co.in.

14. MANAGEMENT DISCUSSION & ANALYSIS REPORT

The Management Discussion and Analysis Report is attached to the Annual Report.

15. COMPLIANCE OFFICER:

The Board has designated Shri Rajeev Kumar, Company Secretary, as the Compliance Officer.

Address : Sector- 128, Noida
Uttar Pradesh- 201 304
e-mail : rajeev.kumar@jalindia.co.in
Phone : +91-120-4609000
Fax : +91-120-4609363
Designated email id : jel.secti@jalindia.co.in
for investor service

16. GENERAL SHAREHOLDER INFORMATION

30th Annual General Meeting

Date : August 27, 2008
Time : 1.00 p.m.
Venue : Sector- 128, Noida- 201304 (U.P.)

17. FINANCIAL CALENDAR

Key Financial Reporting Dates for Financial Year 2007-08

30th May, 2007 : Audited Annual Result for the financial year 2006-07
28th July, 2007 : 1st Quarter Results
29th October, 2007 : 2nd quarter and half- yearly results
22nd January, 2008 : 3rd quarter results

For each calendar quarter, the financial results were reviewed by the Audit Committee and thereafter approved by the Board during of the month following the end of the quarter.

Key Financial Reporting Dates for Financial Year 2008-09

First quarter ending June 30, 2008 : On or before July 31, 2008
Second quarter ending September 30, 2008 : On or before October 31, 2008
Third quarter ending December 31, 2008 : On or before January 31, 2009
Fourth quarter ending March 31, 2009 : On or before April 30, 2009 or if audited, on or before June 30, 2009

18. LISTING ON STOCK EXCHANGES AND STOCK CODES:

The Equity shares of the Company are listed on The Uttar Pradesh Stock Exchange Association Limited (Securities Code J00044) and The Delhi Stock Exchange Association Limited (Security code 10026)

19. MARKET PRICE DATA AND PERFORMANCE IN COMPARISON TO INDEX

The Equity Shares of the Company are not being traded since long.

20. SHARE TRANSFER SYSTEM

The Board of Directors has delegated the powers of transfers, splitting / consolidation of share certificates, issue of duplicate share certificates etc to Investors' Grievance and Share Transfer Committee. The shares received in physical mode for transfer by the company are transferred expeditiously provided the documents are complete and the relative shares are not under any dispute. The Share certificates duly endorsed in favour of the Transferee are returned promptly to the shareholders. Confirmations in respect of the requests for dematerialisation of shares are sent to the respective depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) expeditiously.

21. DISTRIBUTION OF SHAREHOLDING

The Distribution of shareholding as on March 31, 2008, was as follows:

No. of Share held	Shareholders		Share Amount	
	Number	% to total	(Rs.)	% to total
Upto 500	589	45.91	279850	1.05
501 - 1,000	299	23.30	298000	1.12
1,001 - 2,000	135	10.52	245400	0.92
2,001 - 3,000	48	3.74	125250	0.47
3,001 - 4,000	16	1.25	63000	0.23
4,001 - 5,000	22	1.72	110000	0.41
5,001 - 10,000	111	8.65	1069000	4.00
10,001 and above	63	4.92	24509500	91.80
TOTAL	1283	100	26700000	100

Held by:	% holding
Promoters:	87.64
Banks / Mutual Funds/FII/FILs:	0
Private Corporate Bodies:	0.01
NRIs / OCBs:	0
Indian Public:	12.35

22. DEMATERIALISATION OF SHARES AND LIQUIDITY

The shares of the Company are in compulsory demat segment and are available for trading in the depository systems of both NSDL and CDSL. The ISIN of the Company is INE782H01010. As on March 31, 2008, 0.20% of the Share Capital of the Company had been dematerialized.

23. REGISTRAR AND TRANSFER AGENTS

The detail of Registrar & Transfer Agents appointed by the company is as under:

M/s Alankit Assignments Limited
Aankit House, 2E/21, Jhandewalan Extension
New Delhi- 110055
Tel: 011-42541234
Fax: 011-23552001

24. UNCLAIMED DIVIDENDS:

Pursuant to Section 205C of the Companies Act, 1956, there were no unclaimed dividends to be transferred to the Investor Education and Protection Fund of the Central Government during the year.

25. OUTSTANDING GDRs/ ADRs/ WARRANTs OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY

None

26. WORK SITES

The Company is engaged in the business of Civil Engineering Construction, Deployment of Personnel (Technical Services) and Transportation. The Operations of the Company are presently being carried out at the following sites of its clients.

- Dul- Hasti, Jammu and Kashmir
- Baglihar, Jammu and Kashmir

3. Anupshahr, Uttar Pradesh
4. Sikandrabad, Uttar Pradesh
5. Greater Noida, Uttar Pradesh
6. Solan, Himachal Pradesh
7. Rewa, Madhya Pradesh
8. Vayor, Gujarat
9. Panipat, Haryana
10. Bagari, Himachal Pradesh
11. Delhi
12. Guna, Madhya Pradesh
13. Teesta, Sikkim
14. Dalla, Uttar Pradesh
15. Chunar, Uttar Pradesh
16. Sjdhi, Uttar Pradesh

27. Address for Correspondence

Registered & Corporate Office: Sector – 128, Noida – 201304 U. P.
 Delhi Office: JA House, 63, Basant Lok, Vasant Vihar, New Delhi 110057

28. NON-MANDATORY REQUIREMENTS:

The Company at present has not adopted the non-mandatory requirements of Clause 49 of the Listing Agreement.

DECLARATION BY THE WHOLE-TIME DIRECTOR & CEO UNDER CLAUSE 49(1D) OF THE LISTING AGREEMENT

I hereby confirm that all Board Members and Senior Management personnel have affirmed compliance with the Code of Conduct for Directors and Senior Management, as approved by the Board, for the financial year ended March 31, 2008.

P.K. JAIN
 Whole-time Director & CEO
 Jaiprakash Enterprises Limited

Place: Noida
 Date :20-05-2008

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To

The Members of Jaiprakash Enterprises Limited

I have examined the compliance of conditions of Corporate Governance by Jaiprakash Enterprises Limited for the year ended on 31st March, 2008, as stipulated in clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. My examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the Listing Agreement.

I state that no investor grievance is pending for a period exceeding one month with the Company.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

(Latika Jetley)
 Practicing Company Secretary
 Membership No. ACS-12120

Place: Noida
 Date: 20-05-2008

MANAGEMENT DISCUSSIONS AND ANALYSIS
Industry Structure and developments

The business interest of the company is in two sectors i.e., construction and Deployment of Manpower. Most of the company's clients are part of the core infrastructure sector, important for growth of the economy and, in turn, with the growth of the country.

Construction industry has been expanding rapidly. The Construction industry is the second largest economic activity after agriculture. The Construction sector today constitutes about 7% of India's GDP and is growing at the rate of 7-8% every year. The rate of this growth is in keeping with the pace of development. With Government's special focus on accelerated growth of infrastructure, the construction industry is expected to maintain the growth momentum.

The company had discontinued the business of operation and maintenance of fleet of trailers for transportation of cement and other goods.

Opportunities and threats

The client(s) of the Company, being in the Infrastructure Sector are participating in the infrastructural development of the Country and have experience of successfully completing the projects. This provides ample opportunity for further growth of the Company.

The growth potential in the Construction sector attracts competition. However, with the expertise, experience and track record of the Company and its successful demonstration of execution of various projects, the Company does not foresee any threat to its Construction business.

In view of the ongoing boom in the industry there is an increasing demand for manpower and transportation services and the Company is prepared to harness the opportunities and find no immediate threat to these business fields.

Segment wise or product wise performance

The Company is executing various projects including works for development of part of external services, Golf Course and Public Park at Jaypee Greens, Greater Noida, execution of civil works of 38.50 MW Captive Power Plant- III, Part fabrication, erection of complete plant & machinery at Rewa (M.P.) etc.. These projects are in various stages of completion and over a period of time the Company has acquired expertise in the field of construction.

The turnover of the construction business was Rs 5,441.39 in the financial year ending 31st March 2007 as against the current year turnover of Rs 9,433.55 Lacs, indicating an increase of 73.37% over the last year.

The profits from Deployment of technical manpower has been increased by 55%.

The Company had discontinued the business of transportation of goods during the year.

Risks and Concerns

The Company personnel are executing contracts at project sites of client(s) and also provide technical consultancy to its clients at various project sites. Most of these sites, being in and around major rivers and high hills are prone to the possibilities of flash floods, snowstorms and other unforeseen geographical phenomenon because of changing climatic conditions. However, the Company has acquired experience over a period of time to deal with such situations, besides taking adequate insurance cover.

While the macro economic and industry outlook are positive, factors such as inflationary pressure, weak monsoon, political uncertainties, etc could adversely impact India's economic and industry environment which may, in turn, affect profitability of the Company in long term.

Internal Control systems and their adequacy

The Company has adequate internal control systems commensurate with its size and operations and is manned by qualified and experienced executives. The Company has functional heads at various sites for different business to ensure efficient and economical operations with proper checks and balances as an effective tool of internal control.

The Company has internal audit executive(s) to perform internal audit at various project sites for different business segment(s) of the Company and sites are visited periodically by the auditor to conduct audit of the Company.

Discussions on financial performance with regard to operational performance

The financial performance of the Company with respect to its operational performance, as reflected in the Segment-wise and Product-wise performance, is satisfactory, ensuring the Company's commitments of enhancing the value of its stakeholders.

Material developments in Human Resources/ industrial relations front, including number of people employed

The Company recognizes its human resource as its most valued asset. The Company has specialized professional, in the fields of Engineering, Finance and Administration, technical and non-technical staff to take care of its operations and allied activities.

People are the driving force behind our projects and the Company creates a working environment that acknowledges and reinforces this fact. HRD practices are continually redefined to meet changing need and future challenges with training at all levels and continued improvement in processes with people in key focus.

Facilities for personnel at work sites are comparable with the best in the Industry, creating a home away from home.

As on March 31, 2008 approximately four thousand employees were on the rolls of the Company. The employee- employer relations continue to be cordial.

The management has presented the analysis of performance of the company for the year 2007-08 and its outlook for the future. The outlook is based on assessment of the current business environment. It may vary due to future economic and other developments, both in India and abroad.

AUDITORS' REPORT

TO
THE MEMBERS OF
JAIPRAKASH ENTERPRISES LIMITED

1. We have audited the attached Balance Sheet of Jaiprakash Enterprises Limited, as at 31st March 2008, the Profit and Loss Account and also the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. These Standards require that we plan and perform the audit to obtain reasonable assurance whether the Financial Statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Financial Statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall Financial Statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003 as amended by the Companies (Auditors' Report) (Amendment) Order 2004 (the Order), issued by the Central Government of India in terms of Section 227 (4A) of the Act, and on the basis of such checks as we considered appropriate, and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order to the extent applicable to the Company.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:-
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956; to the extent applicable.
 - e) On the basis of written representations received from the directors, as on 31st March, 2008 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2008 from being appointed as a director, in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
 - f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts, read together with significant Accounting Policies and notes appearing in Schedule-P, give the information required by the Companies Act, 1956, in the manner so required and subject to items No (i) and (ii) of C(1) and C(6) of the note in respect of non provision of Income Tax / Sales Tax liabilities and Royalty on stones respectively read together with other notes given in schedule P, give a true and fair view in conformity with the accounting principles generally accepted in India.
 - i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2008;
 - ii) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
 - iii) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

For **L C KAILASH AND ASSOCIATES**
Chartered Accountants

(**L C Gupta**)
Sr. Exec. Partner
M.No. 5122

Place : Noida
Date : 20th May 2008

ANNEXURE REFERRED TO IN PARAGRAPH 3 OF AUDITORS' REPORT OF EVEN DATE TO THE MEMBERS OF JAIPRAKASH ENTERPRISES LIMITED ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2008

1. The Company is maintaining proper records showing full particulars including quantitative details of the Fixed Assets. The physical verification of assets was conducted at such intervals as considered appropriate by the management. We have been explained that no significant discrepancies were noticed. In our opinion the frequency of physical verification was reasonable having regard to the nature and size of its assets.

Fixed Assets disposed off during the year were not substantial; and therefore has not affected the going concern status of the Company.
2. Physical verification of inventory was carried out once during the year by the management, which in our opinion considered to be reasonable having regard to the size of the Company and the nature of its business.

The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material and the discrepancies so noticed have been properly dealt with in the books of account.
3. a) The Company has not granted any secured or unsecured loan during the year to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.
b) The Company has not taken any secured or unsecured loan during the year from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and with regard to the sale of goods and services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across nor have we been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.
5. In respect of the transactions covered under Section 301 of the Companies Act, 1956.
 - a) In our opinion and according to the information and explanations given to us, the transactions that need to be entered in to the Register maintained under Section 301 as per the provisions of Section 297 & 299 of the Companies Act 1956 have been so entered.
 - b) In our opinion and according to the information and explanations given to us, transactions which are mainly relating to Construction Activity, made in pursuance of contracts or arrangements entered in the Register maintained under section 301 of the Companies Act, 1956 exceeding the value of Rs. 5,00,000/- (Rupees Five Lacs only) during the year in respect of each party have been made at prices which are reasonable and competitive at the then prevailing conditions for such type of Contracts.
6. According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Section 58A and 58AA of the Companies Act and the Rules framed there under. As per the information and explanations given to us no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal against the Company.
7. In our opinion and according to the information and explanations given to us the Company has appointed qualified person(s) to carry out the internal audit which is considered to be reasonable having regard to the size of the Company and nature of its business.

8. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956.
9. According to information and explanations given to us and on the basis of our examination of the books of account the Company has generally been regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other statutory dues applicable to it.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Wealth Tax, Service Tax, Sales Tax, Customs Duty, Excise Duty and Cess were in arrears, as at 31.03.08 for a period of more than six months from the date they became payable.

The amount deposited by the Company on account of Income Tax / Sales Tax exceeds / equals to the liabilities fixed by the assessing authority, which is under dispute. However, we give hereunder the details of demand of Income Tax and Sales Tax raised and amount deposited by the company as at 31st March 2008:

S.No.	Amount	Year	Forum where dispute is pending	Amount deposited
1.	Rs 12.67 Lacs	Assessment Year 1986-87	Assessing Officer (Remand Case)	Income Tax deposited Rs 17.50 Lacs
2.	Rs 88.97 Lacs	Assessment Year 1989-90	High Court	Income Tax deposited Rs 102.50 Lacs
3.	Rs 8.45 Lacs	Assessment Year 1991-92	High Court	Income Tax deposited Rs 23.36 Lacs
4.	Rs 0.27 Lacs	Financial Year 1997-98	Sales Tax Tribunal	Sales Tax Deposited Rs. 0.27 Lacs

10. The Company does not have any accumulated losses at the end of financial year and has not incurred cash losses during the financial year and in the immediately preceding financial year.
11. As per the information and explanations given to us, the company has not raised any loan from the financial institution and bank during the year.

12. In our opinion and according to the information and explanation given to us the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion and according to the information and explanations given to us, considering the nature of activities carried on by the Company during the year, the provisions of any special statute applicable to chit fund / nidhi / mutual benefit fund / societies are not applicable to it.
14. In our opinion and according to the information and explanations given to us, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of Clause(xiv) of para 4 of the Order are not applicable to the Company.
15. In our opinion and according to the information and explanation given to us, the Company has not given any guarantee for loans taken by others from Bank or financial institutions.
16. As per information and explanations given to us the company has not obtained any term loan from any Bank or Financial Institution.
17. On the basis of review of utilization of funds, which is based on overall examinations of the Balance Sheet of the company, related information as made available to us and as explained to us by the management during the year, no funds have been raised on short-term basis, which have been used for long-term investment.
18. According to the information and explanations given to us, the Company has not made preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
19. According to the information and explanations given to us, during the year the Company has not issued any debentures.
20. The Company has not raised any money by public issues during the year.
21. Based upon the audit procedures performed and on the basis of information and explanations provided by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

For **LC KAILASH AND ASSOCIATES**
Chartered Accountants

Place : Noida
Date : 20th May 2008

L C Gupta
Sr. Exec. Partner
M.No. 5122

BALANCE SHEET
AS AT 31ST MARCH 2008

PARTICULARS	SCHEDULE	As at 31st March 2008		As at 31st March 2007	
		Rs.	Rs.	Rs.	Rs.
SOURCES OF FUNDS					
SHAREHOLDERS' FUNDS					
Share Capital	A	26,70,00,000		2,67,00,000	
Reserves & Surplus	B	39,28,80,535	65,98,80,535	38,08,91,060	40,75,91,060
LOAN FUNDS					
Secured Loans	C		0		29,44,393
Total			65,98,80,535		41,05,35,453
APPLICATION OF FUNDS					
FIXED ASSETS					
Gross Block	D	27,87,59,291		27,38,62,133	
Less: Depreciation		15,02,88,260		12,92,91,732	
NET BLOCK		12,84,71,031		14,45,70,401	
Capital work in progress		49,97,766	13,34,68,797	—	14,45,70,401
INVESTMENTS					
CURRENT ASSETS, LOANS & ADVANCES					
Inventories	E	4,84,63,270		3,62,09,476	
Sundry Debtors		8,08,24,076		4,40,07,712	
Cash & Bank Balances		5,45,72,303		5,69,66,809	
Other Current Assets		2,13,510		2,21,712	
Loans & Advances	F	55,99,33,801		21,72,70,647	
		74,40,06,960		35,46,76,357	
LESS: CURRENT LIABILITIES & PROVISIONS					
Liabilities	G	54,63,39,940		49,22,00,934	
Provisions		22,60,18,869		13,34,04,751	
		77,23,58,809		62,56,05,685	
NET CURRENT ASSETS			(2,83,51,849)		(27,09,29,328)
Deferred Tax Liability (Net)	H		(70,61,127)		(2,49,30,334)
TOTAL			65,98,80,535		41,05,35,453
NOTES ON ACCOUNTS					
	P				

Schedule 'A' to 'P' form an integral part of accounts

For and on behalf of the Board

In terms of our report of even date annexed

For L C KAILASH AND ASSOCIATES

Chartered Accountants

N.C. SHARMA

Director

L.C. GUPTA

Sr. Exec. Partner

M.No. 5122

RAJEEV KUMAR

Company Secretary

P.K. JAIN

Whole-time Director

Place : Noida

Dated : 20th May 2008

**PROFIT AND LOSS ACCOUNT
 FOR THE YEAR ENDED 31ST MARCH 2008**

PARTICULARS	SCHEDULE	As at 31st March 2008		As at 31st March 2007	
		Rs.	Rs.	Rs.	Rs.
INCOME					
Gross Revenue	I	1,45,56,41,888		90,39,78,479	
Machinery Hire charges (Construction Division) (Gross) (TDS Rs. 23,58,393/- Previous year Rs. 4,03,918/-)		2,50,12,303		1,12,17,516	
Interest Received (Gross) (TDS Rs. 3,20,916/- Previous year Rs. 4,07,361/-)		28,74,069		18,04,451	
Dividend Received (Gross)		8,56,03,718		5,43,44,070	
Profit/(Loss) on sale of machinery		5,10,520		3,02,980	
Excess Provision written back		39,649		53,855	
Other Receipts	J	42,81,370		27,44,519	
Increase/(Decrease) in Stocks	K	0		(28,271)	
			1,57,39,63,517		97,44,17,599
EXPENDITURE					
Manufacturing, Constn. & Trading Expenses	L	61,40,89,698		47,49,85,817	
Excise Duty paid		12,03,141		12,48,480	
Employees' Remuneration & Benefits	M	54,56,15,261		32,73,95,693	
Office and Administrative Expenses	N	4,44,15,088		4,45,29,903	
Selling & Distribution Expenses	O	2,31,899		1,15,768	
Claims paid		33,073		8,74,454	
Interest		9,70,114		15,69,129	
Bad debts written off		4,61,799		0	
Depreciation		2,19,81,035		2,08,39,541	
Profit/(Loss) for the year			1,22,90,01,108		87,15,58,785
(Less): Income Tax for earlier Years			34,49,62,409		10,28,58,814
(Less): Sales Tax/Entry Tax/State Development Tax paid for earlier Years		(12,82,950)		(15,88,792)	
(Less): Provision for Fringe Benefits Tax for Previous Year		(38,98,354)		(52,57,550)	
Add/(Less): Prior Period Adjustments (Net)		0		(10,64,232)	
(Less)/Add: Provision		(1,33,410)	(53,14,714)	(3,02,207)	(82,12,781)
(i) For Income Tax		(10,34,00,000)		(1,52,00,000)	
(ii) For Fringe Benefit Tax		(17,86,727)		(13,74,377)	
(iii) For Deferred Tax		1,78,69,207	(8,73,17,520)	(1,19,38,752)	(2,85,13,129)
Profit after Taxation			25,23,30,175		6,61,32,904
Profit/(Loss) brought forward from Last Year			37,84,01,206		31,22,68,302
Balance Carried to Balance Sheet			63,07,31,381		37,84,01,206

NOTES ON ACCOUNTS
P

Figures in brackets indicate losses/provisions

Schedule 'A' to 'P' from an integral part of account

 In terms of our report of even date annexed
For L C KAILASH AND ASSOCIATES
 Chartered Accountants

L.C. GUPTA
 Sr. Exec. Partner
 M. No. 5122

RAJEEV KUMAR
 Company Secretary

For and on behalf of the Board

N.C. SHARMA
 Director

P.K. JAIN
 Whole-time Director

 Place : Noida
 Dated : 20th May 2008

Particulars	As at 31st March 2008		As at 31st March 2007	
	Rs.	Rs.	Rs.	Rs.
SCHEDULE 'A'				
SHARE CAPITAL				
AUTHORISED				
2,98,00,000 Equity Shares of Rs. 10/- each (Previous year 48,00,000 Equity Shares of Rs. 10/- each)		29,80,00,000		4,80,00,000
20,000 9% Cumulative Preference Shares of Rs. 100/- each		20,00,000		20,00,000
		<u>30,00,00,000</u>		<u>5,00,00,000</u>
ISSUED, SUBSCRIBED AND PAID UP				
2,67,00,000 Equity Shares of Rs. 10/- each (Previous year 26,70,000 Equity Shares of Rs. 10/- each fully paid up including 12,00,000 Equity Shares allotted as fully paid up without payment received in cash in terms of the Scheme of Amalgamation and 2,40,30,000 Equity Shares of Rs. 10/- each issued as fully paid up Bonus Shares (Previous year - Nil-))		26,70,00,000		2,67,00,000
		<u>26,70,00,000</u>		<u>2,67,00,000</u>

SCHEDULE 'B'
RESERVES AND SURPLUS

RESERVES				
(i) Capital Reserve		90,000		90,000
(ii) Share forfeited account		1,22,750		1,22,750
(iii) Revaluation Reserve				
As per last Balance Sheet	9,77,104		10,17,804	
Less: Adjusted being difference of Depreciation on Revalued Cost and Original Cost	40,700		40,700	
		<u>9,36,404</u>		<u>9,77,104</u>
(iv) Capital Redemption Reserve		13,00,000		13,00,000
(v) Surplus				
As per Profit and Loss Account	63,07,31,381		37,84,01,206	
Less: Amount utilised for issue of Bonus Shares	24,03,00,000	39,04,31,381	—	37,84,01,206
		<u>39,28,80,535</u>		<u>38,08,91,060</u>

SCHEDULE 'C'
SECURED LOANS

Kotak Mahindra Bank Ltd.				
Secured against hypothecation of 21 Nos. Trailers, (Payable within one year Rs. Nil) (Previous year Rs. 29,44,393/-)		0		29,44,393
		<u>0</u>		<u>29,44,393</u>

SCHEDULE 'D'
FIXED ASSETS

Sl. No.	Particulars	(Figures in Rupees)										
		GROSS BLOCK				DEPRECIATION					NET BLOCK	
		Asat 1.4.2007	Additions During the Year	Sale/ Discarded	As at 31.3.2008	Upto 31.3.2007	During the Year	Written Back	Adjustment on Sale/ Transfer	Upto 31.3.2008	As at 31.3.2008	As at 31.3.2007
1. Goodwill	60,91,530	0	0	60,91,530	60,91,530	0	0	0	60,91,530	0	0	
2. Land (Lease Hold)	19,40,258	0	0	19,40,258	0	0	0	0	0	19,40,258	19,40,258	
3. Land (Free Hold)	2,94,38,534	0	0	2,94,38,534	0	0	0	0	0	2,94,38,534	2,94,38,534	
4. Buildings	3,05,94,244	16,53,442	0	3,22,47,686	98,82,702	5,90,662	0	0	1,04,73,364	2,17,74,322	2,07,11,542	
5. Purely Temporary Erections	2,46,70,647	0	0	2,46,70,647	2,46,70,647	0	0	0	2,46,70,647	0	0	
6. Plant and Machinery	10,18,46,996	0	15,96,000	10,02,50,996	5,33,86,758	81,73,319	0	10,25,207	6,05,34,870	3,97,16,126	4,84,60,238	
7. Motor Vehicles	7,29,10,274	45,94,244	0	7,75,04,518	3,19,52,941	1,29,45,528	0	0	4,48,98,469	3,26,06,049	4,09,57,333	
8. Furniture & Office Equipments	63,67,956	2,45,472	0	66,13,428	33,05,460	3,12,226	0	0	36,17,686	29,95,742	30,62,496	
9. Books and Periodicals	1,694	0	0	1,694	1,694	0	0	0	1,694	0	0	
Grand Total	27,38,62,133	64,93,158	15,96,000	27,87,59,291	12,92,91,732	2,20,21,735	0	10,25,207	15,02,88,280	12,84,71,031	14,45,70,401	
Previous Year	26,68,39,002	79,57,811	9,34,680	27,38,62,133	10,89,45,465	2,08,80,241	0	5,33,974	12,92,91,732	14,45,70,401		
Capital Work in progress										49,97,766	0	

NOTE: Additional charge on account of revaluation of Building amounting to Rs. 40,700/- has been adjusted against revaluation reserve.

Particulars	As at 31st March 2008		As at 31st March 2007	
	Rs.	Rs.	Rs.	Rs.
SCHEDULE 'E'				
INVESTMENTS (AT COST)				
A. LONG TERM INVESTMENTS				
(QUOTED)				
(i) Jaypee Hotels Limited:				
34,033 Equity Shares of Rs. 10/- each fully paid up	3,44,986		3,44,986	
(ii) Jaiprakash Associates Limited :				
80198385 Equity Shares of Rs. 2/- each fully paid up				
(Previous year 1,60,39,677 Equity Shares of Rs. 10/- each fully paid up)	54,85,81,128		54,85,81,128	
(iii) Saket Projects Ltd.				
20,000 equity shares of Rs. 10/- each fully paid-up in cash	2,00,000	54,91,26,114	2,00,000	54,91,26,114
(UNQUOTED)				
(i) Jaypee Ventures Private Limited				
8,40,000 14% Non cumulative, non convertible redeemable Preference Shares of Rs. 100/- each fully paid-up (To be redeemed at the expiry of 10 years from 14.06.2001)		1,26,94,600		1,26,94,600
B. GOVERNMENT SECURITIES (UNQUOTED)				
National Saving Certificates				
(Pledged with Sales Tax Authority)		4,000		4,000
		56,18,24,714		56,18,24,714

Notes :(i) Aggregate cost of Investment in Quoted Shares is Rs. 54,91,26,114/- (Previous year Rs. 54,91,26,114/-) and market value as per National Stock Exchange as on 31st March 2008 is Rs. 18,17,41,92,917/- (Previous year Rs. 865,08,15,399/-)

(ii) Since the Quotation of Equity shares of M/s Saket Projects Ltd. is not available in any of the Stock Exchanges in the country, the market price of the shares of the above Company has been considered at face value of each shares for purposes of indicating the market value of Quoted Investments.

SCHEDULE 'F'
CURRENT ASSETS, LOANS & ADVANCES
A. CURRENT ASSETS
(i) Inventories

(As per Inventory taken, valued and certified by Management)

(a) Finished Goods including rejected goods (at lower of cost or market value including Excise Duty)	0		2,55,847	
(b) Stores, Spares and other materials (at cost)	1,19,21,985		1,50,35,890	
(c) Construction material (at cost)	2,30,22,457		2,09,17,739	
(e) Work in-progress (Construction Division) at estimated cost	1,35,18,828	4,84,63,270	—	3,62,09,476
(ii) Sundry Debtors				
(Unsecured-considered good unless otherwise stated)				
(a) Debts outstanding for a period exceeding six months	0		21,48,623	
(b) Other debts	8,08,24,076	8,08,24,076	4,18,59,089	4,40,07,712
(iii) Cash and Bank Balances in Hand				
(a) Cash, Cheques and Bank Drafts	47,76,225		1,03,88,354	
(b) Balance with Scheduled Banks :				
(i) in Fixed Deposits accounts (pledged with Banks and Govt. Departments Rs. 5,40,000/-)	2,32,20,206		3,06,34,579	
(ii) In Current Account	2,65,75,872	4,97,96,078	1,59,43,876	4,65,78,455
		5,45,72,303		5,69,66,809
(iv) Other Current Assets				
Interest accrued on Fixed Deposits and others (from Banks Rs. 2,13,510/- previous year Rs. 2,21,712/-)		2,13,510		2,21,712
TOTAL (A)		18,40,73,159		13,74,05,709

Particulars	As at 31st March 2008		As at 31st March 2007	
	Rs.	Rs.	Rs.	Rs.
B. LOANS AND ADVANCES				
(Unsecured-considered good unless otherwise stated)				
(a) Advances recoverable in cash or in kind or for value to be received and/or to be adjusted.				
(i) Advance to Suppliers & Contractors	2,32,41,125		1,41,45,319	
Less: Provision for doubtful advances	<u>62,037</u>	2,31,79,088	—	1,41,45,319
(ii) Advance to Employees		57,21,801		23,58,820
(iii) Imprest		1,24,232		18,488
(iv) Expenses Recoverable (from Pvt. Ltd. Company in which some of the Directors are Directors/Members)		—		2,43,774
(v) Advance for Land	23,25,00,000			—
(iv) Other Advances	3,73,72,150			2,61,61,891
(v) Prepaid Expenses	15,74,760			20,16,886
(b) Claims & Refunds Receivable/adjustable	19,70,513			6,01,877
(c) Modvat and Service Tax Adjustable Account	98,654			5,66,784
(d) Balances with Excise Deptt.	20,892			16,844
(e) Advance Tax (including Tax decuded at source)	20,34,35,193			15,63,76,562
(f) Fringe Benefits Tax	38,19,873			24,97,829
(g) Works Contract Tax Adjustable	1,96,93,156		1,88,98,130	
Less: Sales Tax adjusted	<u>0</u>	1,96,93,156	<u>1,88,98,130</u>	0
(i) Retention money		2,98,34,197		1,16,05,473
(j) Security Deposits:				
(i) With Govt. Departments	5,54,098		6,29,651	
(ii) With Others	<u>35,194</u>	5,89,292	<u>30,450</u>	6,60,101
TOTAL (B)		55,99,33,801		21,72,70,648
TOTAL (A+B)		74,40,06,960		35,46,76,357

SCHEDULE 'G'
CURRENT LIABILITIES & PROVISIONS
A. CURRENT LIABILITIES

(a) Sundry Creditors				
(i) For Supplies	8,72,94,956		8,30,73,668	
(ii) Expenses Payable	10,45,22,704		5,93,38,516	
(iii) Other Credit Balances	8,18,65,808		10,79,46,031	
(iv) Sales Tax Payable	1,26,41,426		4,44,753	
(v) Income Tax Payable	<u>0</u>	28,63,24,894	<u>3,94,889</u>	25,11,97,857
(b) Customers Credit Balances		0		3,10,942
(c) Adjustable receipts against contract (Not bearing interest)		21,58,81,634		21,27,01,783
(d) Other's Finance		1,98,82,203		97,74,631
(e) Retention money from Sub-contractors & Others		2,42,51,209		1,14,96,229
(f) Book Overdraft from Bank		0		67,19,492
TOTAL (A)		54,63,39,940		49,22,00,934

B. PROVISIONS

(a) Provision for Taxation	15,14,40,200		9,88,40,200	
(b) Provision for Fringe Benefit Tax	45,36,600		27,49,873	
(c) Provision for Gratuity	3,51,58,383		2,01,72,618	
(d) Provision for Leave Encashment	2,68,64,139		1,13,85,693	
(e) Provision for Sales tax/Entry Tax/State Development Tax	79,49,782		0	
(f) Provision for Excise Duty on Closing Stock	69,765		2,56,367	
TOTAL (B)		22,60,18,869		13,34,04,751
TOTAL (A+B)		77,23,58,809		62,56,05,685

SCHEDULE 'H'
Deferred Tax

Liability				
Accumulated Depreciation	2,32,26,503		2,56,99,586	
Assets				
Accrued expenses deductible on payment	1,61,65,376		7,69,252	
Net Deferred Tax Assets/(Liability)		(70,61,127)		(2,49,30,334)

Particulars	As at 31st March 2008		As at 31st March 2007	
	Rs.	Rs.	Rs.	Rs.
SCHEDULE 'I'				
GROSS REVENUE				
Revenues from Construction Division (TDS Rs. 4,10,61,157/- Previous year Rs. 1,39,05,023/-)	90,25,75,303		54,09,00,306	
Receipt from Transportation (TDS Rs. 1,56,751/- (Previous Year Rs. 16,37,801/-)	71,97,699		5,01,52,160	
Receipt from Deployment of Personnel (TDS Rs. 6,60,69,440/- Previous year Rs. 2,08,30,620/-)	54,58,68,886		31,29,26,013	
	145,56,41,888		90,39,78,479	
SCHEDULE 'J'				
OTHER RECEIPTS				
Miscellaneous Receipts	4,28,046		4,91,154	
Rent Received (Gross) (TDS Rs. 2,76,670/- Previous year Rs. 2,49,084/-)	11,52,000		11,52,000	
Sundry debit/credit balances written off/Back (Net)	19,44,974		10,45,015	
Insurance Claim received	7,56,350		56,350	
	42,81,370		27,44,519	
SCHEDULE 'K'				
Increase/(Decrease) in Stocks				
At the end of the year :				
Finished Goods		0		2,55,847
At the commencement of the year :				
Finished Goods	2,55,847		2,84,118	
Less: Goods discarded and written off	<u>2,55,847</u>	0	<u>—</u>	<u>2,84,118</u>
		0		(28,271)
SCHEDULE 'L'				
CONSTRUCTION, MANUFACTURING & OPERATING EXPENSES				
(a) Expenditure on Work Contract (Constr. Division)				
(i) Opening work in progress	0		2,27,31,962	
(ii) Expenditures on works	56,44,53,304		33,16,90,051	
(iii) Machinery hire charges	1,38,80,851		3,45,80,338	
(iv) Electricity charges	2,53,134		5,35,542	
(v) Stores consumed	<u>4,69,33,213</u>		<u>8,26,58,942</u>	
	62,55,20,502		47,21,96,835	
Less : Closing work in progress	<u>1,35,18,828</u>	61,20,01,674	<u>—</u>	<u>47,21,96,835</u>
(b) Repairs and Maintenance :				
Plant & Machinery	2,17,010		25,45,127	
Buildings	18,55,945		—	
Other Repairs	15,069		2,43,855	
	61,40,89,698		47,49,85,817	
SCHEDULE 'M'				
EMPLOYEES' REMUNERATION & BENEFITS				
(a) Salaries, Wages & Bonus	43,10,75,954		26,33,22,690	
(b) Gratuity & Leave Encashment Benefits	3,91,02,078		1,75,57,607	
(c) Employees' Welfare Expenses	2,47,75,433		1,39,26,707	
(d) Labour Fare and Leave Travel Assistance	1,79,80,310		99,55,302	
(e) Employees' Provident Fund & ESI	3,26,81,486		2,26,33,387	
	54,56,15,261		32,73,95,693	

Particulars	As at 31st March 2008		As at 31st March 2007	
	Rs.	Rs.	Rs.	Rs.
SCHEDULE 'N'				
OFFICE AND ADMINISTRATIVE EXPENSES				
Electricity & Water Charges		13,08,418		12,18,846
Staff Recruitment & Training Expenses		87,447		64,493
insurance		19,27,011		18,82,018
Rent Expenses		7,140		5,440
Rates and Taxes		37,95,857		31,31,976
Sales Tax/Entry Tax/State Development Tax		1,36,22,608		1,44,49,295
Printing and Stationery		3,22,820		4,93,482
Postage, Telephone and Courier Expenses		3,98,037		4,87,023
Legal and Professional Charges		17,07,925		21,51,169
Travelling and Conveyance		23,14,213		31,87,536
Vehicles Running Expenses		61,22,629		48,82,412
Charity & Donation		1,00,00,000		99,00,000
Bank Charges and Guarantee Commission		377,459		4,72,231
Upkeep, Office and Camp Maintenance		4,90,972		12,92,443
Books and Periodicals		11,948		17,224
Miscellaneous Expenses		1,82,868		81,627
Directors Sitting Fee		7,00,000		90,000
Damaged/discarded goods written off		2,55,847		-
Fines & Penalties		1,100		1,06,200
Auditors Remuneration				
As Audit Fee		5,06,100		4,01,000
As Tax Audit Fee		56,180		56,120
As Fringe Benefit Tax Audit fee		12,360		12,346
As Reimbursement of Expenses		2,06,149	7,80,789	1,47,022
				6,16,488
		4,44,15,088		4,45,29,903

SCHEDULE 'O'				
SELLING & DISTRIBUTION EXPENSES				
Advertisement & Publicity Expenses		2,31,899		1,15,768
		2,31,899		1,15,768

SCHEDULE "P"
NOTES ON ACCOUNTS
A SIGNIFICANT ACCOUNTING POLICIES:
(a) BASIS OF ACCOUNTING:

The financial accounts are primarily maintained under Historical cost convention & on accrual basis and are in accordance with the requirement(s) of the Companies Act, 1956 and generally accepted accounting principles in India.

(b) FIXED ASSETS:

The Fixed Assets are shown at historical cost comprising of purchase price and other attributable cost, except wherever revalued at revalued amount. The increase in the revalued amount over the historical cost has been credited to the Revaluation Reserve.

(c) DEPRECIATION:

i) On the assets acquired on or before 2nd April 1987, the depreciation has been provided on Straight Line Method in terms of circular dated 21st May 1986, issued by the Company Law Board.

ii) In case of assets acquired after 2nd April, 1987, till 92-93, depreciation is provided on straight line method basis at the rates specified in Schedule XIV as amended in 1988, and the assets acquired from the financial year 93-94 onwards at the rates revised vide notification No. 756 (E) dated 16.12.93.

iii) The depreciation on the increased amount of the assets revalued is adjusted against Revaluation Reserve.

(d) INVESTMENT:

(i) All investments are stated at cost of acquisition.

(ii) Income from investment by way of dividend and interest is accounted for as and when received.

(iii) The profit or loss due to the fluctuation in the Market Value of Quoted Investments is not accounted for in the books of account.

(iv) Profit on sale of shares is calculated after deducting actual cost of acquisition of that lot of share from the sale proceeds there from.

(e) INVENTORIES:

i) Raw Materials, Packing Materials, Stores, Spares, Stock-in-trade (traded goods) is valued at cost. The cost in case of Raw Materials is calculated on weighted average method and that of Packing Materials, Stores and Stock-in-trade is calculated on FIFO basis.

ii) Finished Goods manufactured in the factory is valued at lower of manufacturing cost or selling price. The cost includes all manufacturing expenses, less the amount claimed as MODVAT on purchases.

iii) Finished goods in transit and at sale depot's are valued at lower of manufacturing cost or sale price plus freight Charges and applicable Excise Duty.

iv) Goods in process in Paints Division are valued at Raw Materials cost.

v) Goods-in-transit are valued to the extent of the amount paid.

vi) The value of finished goods lying in the excise godown as at the end of financial year includes the applicable amount of excise duty.

vii) The stock of scrap has been valued at estimated realizable value.

viii) The difference between the book balance and actual stock of materials at the closing date has been charged as material consumed and / or charged to Profit and Loss Account.

(ix) Work in Progress (Construction Division):

a) The estimated cost of the jobs completed but remained unbilled at the end of the year has been calculated at contract price reduced by gross profit margin of previous year of Construction Division.

b) In case of Contracts based on percentage of completion method, the proportion that Contract Costs incurred for the work performed up to the reporting date and unbilled bears to the estimated total contract cost multiplied by value of Contract.

(f) RECOGNISATION OF REVENUES:
(a) Construction and Service Activity:

i) Income from contracts and services is recognised on the basis of jobs carried, measured and accepted by the contractee.

- (ii) In contracts, where the total value of the work awarded can be ascertained the revenue has been recognised as per the percentage of completion method taking into consideration the cost incurred upto the close of the accounting year and cost expected to be incurred in reaching the stage of completion bears to the estimated total contract cost multiplied by the value of the contract.
- (iii) No provision has been made for the contingencies in respect of contracts, which have not been completed; the same is accounted for as and when these are crystallized on the completion of contract.
- (iv) Escalation claims are accounted for as and when the claim amount received or accepted by the Contractee.

(b) Manufacturing and Trading Activity:

Sale of goods is recognized on dispatch of the goods against customer's orders. The gross sales are inclusive of excise duty and net of trade discounts.

(g) GRATUITY:

The Gratuity is provided on the basis of actuarial valuation in respect of all employees who are in service of the company for more than six months as at the end of the year.

(h) LEAVE ENCASHMENT BENEFIT:

The leave encashment benefit on retirement is provided on the basis of actuarial valuation in respect of employees as per leave records subject to maximum accumulation up to 90 days.

(i) INSURANCE CLAIM:

Insurance claim is accounted as income in the year in which it is received, whereas the expenses incurred on repair of damaged assets is charged off to revenue in the year in which it is incurred.

(j) DEFERRED REVENUE EXPENSES

Expenses incurred on market promotion of paints including survey which has enduring benefits are treated as deferred revenue expenses and shall be charged to revenue in five years in equal installments.

(k) ACCOUNTING FOR INCOME TAX

i) Current Tax represents the amount of Tax payable in respect of taxable income for the financial year as per Income Tax Act 1961, and /or under the prevailing taxation laws.

ii) Deferred tax is recognised, subject to the consideration of prudence in respect of Deferred Tax Assets on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent period. Deferred Tax Assets are not recognised unless there is reasonable certainties that sufficient future taxable income will be available against which such Deferred Tax Assets will be realized in future.

(l) THE EARNING PER SHARE

The earning per share has been arrived as per the Accounting standard - 20 issued by the Institute of Chartered Accountant of India.

(m) IMPAIRMENT OF ASSETS

If the Carrying amounts of Fixed Assets exceed the recoverable amount on reporting date, the carrying amount is reduced to the recoverable amount. The recoverable amount is measured as the higher of the net selling price and the value in use determined by the present value of estimated future cash flows.

B. NOTES ON BALANCE SHEET

1. Contingent liability not provided for in respect of:
- | | Current Year
(Rs. In lacs) | Previous Year
(Rs. In lacs) |
|---|-------------------------------|--------------------------------|
| a) Corporate Guarantee(s) against Mobilization Advance | Nil | 1684.41 |
| b) Counter Guarantee(s) given to Banks & others in respect of Guarantee(s) furnished by Banks (FDR held for Rs 5,40,000/-) (Previous year Rs. 5,40,000/-) | 5.40 | 5.40 |
| c) Corporate Guarantee(s) against performance of contract | Nil | 786.94 |
2. Debit/ Credit balances in parties accounts are subject to confirmation and balances as appearing in the Books of accounts have been considered in the annual statement of accounts.
3. In the opinion of the Board of Directors, Current Assets, Loan & advances have a value, on realization in ordinary course of business, at least equal to the amount at which these are stated in the Balance Sheet.
4. All known liabilities and income which have incurred / accrued and paid / earned respectively upto 31.3.2008 have been fully accounted in the books.
5. Sundry debtors includes Rs.6,09,13,705/- (Previous year Rs.4,07,15,883 /-) due from a charitable trust in which some of the directors & their relatives are Trustees.
6. All investments in shares and securities made by the company are held in company's name & have been duly recorded in the register maintained under section 372 A of the Companies Act, 1956.
7. The Company has complied with all mandatory Accounting Standards issued by ICAI to the extent these are applicable to the company.
8. In terms of Accounting Standard (AS) 28, the assets are not impaired because the estimated realizable amount of fixed assets as determined by

the management is more than the carrying amount of fixed assets in the balance sheet.

9. None of the creditors to whom the amount is payable by the company have informed to have qualified as micro small enterprises under the MSMED Act, 2006.

	Current Year Rs.	Previous Year Rs.
--	---------------------	----------------------

C. NOTES ON PROFIT & LOSS ACCOUNT

1. No provision has been made in the Accounts in respect of:
- | | | |
|--|-------------|-------------|
| i) Demand for Income tax and interest raised by authorities for Assessment years 1986-87, 1989-90 and 1991-1992, Appeal pending before the Commissioner of Income tax /ITAT (Tax deposited Rs.1,43,36,434) (Previous year Rs. 1,43,36,434 /-) | 1,10,09,884 | 1,10,09,884 |
| ii) Sales tax demand in respect of transfer of stock in September 97, pending finalization of Appeal from Sales tax tribunal Jaipur. | 27,000 | 27,000 |
| iii) Sales tax liability on Works contracts awaiting completion of Assessment (Amount already deposited Rs. 11,50,000)* | 0 | 12,93,291 |
2. a) No interest income has been accounted for on FDR's valued Rs.50,000/- (Previous Year Rs 50,000) taken in favour of Chief Engineer Yamuna Valley Project, Irrigation Department, Dehradun which is pending for renewal. Income shall be accounted as and when realized.
- b) Interest income amounting to Rs. 45,82,595 has not been accounted on advance of Rs. 2,47,34,802/- included under the head "other advances" in Current Assets due to uncertainty. The same will be accounted in the year of actual receipt.
- c) Other advances include Rs. 1,24,00,000/- not bearing interest.
3. No Dividend on equity shares for the year has been proposed by the Directors.
4. The proportionate amount of depreciation on building revalued (on 30.04.1985) amounting to Rs.40,700/- (Previous year Rs. 40,700/-) provided during the year has been set off against Revaluation Reserve.
5. In compliance of AS - 2 (Revised) the company has provided the liability of excise duty amounting to Rs. 69,765/- (Previous Year Rs. 2,56,367/-) on the stocks of Cement blocks lying at the Precast yard at Guna. However, it has no impact on the profit / loss for the current year.
6. No provision has been made for Royalty on digging stone from query at Guna amounting to Rs. 3,64,732/- (Already paid 54,000/-).

	Current Year Rs.	Previous Year Rs.
--	---------------------	----------------------

7. Managerial Remuneration paid to Whole time Director: -
- | | | |
|--------------------------|------------------|------------------|
| Salary | 19,75,000 | 14,29,000 |
| HRA | 11,85,000 | 8,32,200 |
| Medical | 66,794 | 61,469 |
| Gas. Water & Electricity | 1,49,471 | 1,50,729 |
| Provident Fund | 2,37,000 | 1,71,480 |
| Leave Travel Assistance | 0 | 84,000 |
| Other Perquisites | 20,807 | 25,577 |
| Total :- | 36,34,072 | 27,54,455 |

8. ADDITIONAL INFORMATION PURSUANT TO THE PROVISION OF SCHEDULE VI PART II OF THE COMPANIES ACT, 1956

Capacity and production of Malathion Technical

- i) Chemical Unit
- a) Licensed Capacity : 660 MT
- b) Installed Capacity : Nil
- ii) Paints Unit:
- a) Licensed Capacity - Not applicable being registered as small scale unit
- b) Installed Capacity: Nil
- iii) Particulars in respect of Opening Stock, Production, Sales & Closing Stock

	Opening Stock		Production		Closing Stock*	
	Qty Kg/Ltr	Value Rs.	Qty Kg/Ltr	Value Rs.	Qty Kg/Ltr	Value Rs.
a) Paints	23365	255847	0	0	0	0
Stiff	(23365)	(284118)	(0)	(23365)	(255847)	

Note: The stock was over 3 year old and was not in saleable condition hence discarded.

NOTES:

- (1) During the year neither there is any production nor any sale of paint (Liquid or Stiff).
- (2) Previous Year's figures are given in brackets.

**Cash Flow Statement Annexed to the Balance Sheet
For the year ended 31st March 2008**

	(Rs. in thousands)	
	2007-08	2006-07
A. Cash Flow from Operating Activities		
Net Profit before tax and extraordinary items	3,44,963	1,02,859
Adjustments for:		
Depreciation	21,981	20,840
Interest expense	970	1,569
Prior Period item (Net)	(5,314)	(8,213)
Interest income	(2,874)	(1,804)
Dividend income	(85,604)	(54,344)
Profit/Loss on sale of assets	(510)	(303)
	(71,351)	(42,256)
Operating profit before working capital changes	2,73,612	60,603
Adjustment for:		
(Increase)/decrease in Inventories	(12,254)	(17,822)
(Increase)/decrease in Sundry Debtors	(36,816)	10,498
(Increase)/decrease in Loans and advances	(3,42,663)	21,097
(Increase)/decrease in Current Liabilities & Provisions	43,352	(1,66,957)
(Increase)/(Decrease) in Other Current Assets	8	(2,594)
	(3,48,373)	(1,20,134)
Cash generated from Operations	(74,761)	(59,531)
Less: Fringe Benefits Tax Paid during the year	(1,787)	(1,374)
Cash flow before Extraordinary items	(76,548)	(60,905)
Net cash flow from operating activities	(76,548)	(60,905)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(6,493)	(7,958)
Increase in Capital work in progress	(4,998)	
Proceeds from sale of Fixed Assets	1,081	704
Purchase of investments		
Interest Received	2,874	1,804
Dividend Received	85,604	54,344
Net Cash used In investing Activities	78,068	48,894
C. CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Secured Loans	(2,945)	(20,145)
Interest paid	(970)	(1,569)
Net Cash used in Financing Activities	(3,915)	(21,714)
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	(2,394)	(33,724)
Opening Balance of Cash and cash equivalents	56,967	90,691
Closing Balance of Cash and cash equivalents	54,572	56,967

Note : Previous years' figures have been regrouped to match with the grouping of the current year.

For and on behalf of the Board
N.C. SHARMA
Director

Place : Noida **RAJEEV KUMAR** **P.K. JAIN**
Dated: 20th May 2008 Company Secretary Whole-time Director

Auditors Report

We have examined the above Cash Flow Statement derived from the Audited Financial Statement for the year ended 31st March, 2008 which we find in accordance with the requirement of Clause 32 of the Listing Agreement with Stock Exchange.

For **L.C KAILASH AND ASSOCIATES**
Chartered Accountants

Place : Noida **L.C GUPTA**
Dated : 20th May 2008 Sr. Exec. Partner
M.No. 5122

**Balance Sheet Abstract and Company's General Business Profile
Pursuant to Part-IV of Schedule-VI to the companies Act, 1956**

I. Registration Details			
Registration No.	8027	State Code	20
Balance Sheet Date	31.3.2008		
II. Capital Raised During the Year (Amount in Rs. Thousands)			
Public Issue	Nil	Right Issue	Nil
Bonus Issue	240300	Private Placement	Nil
III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)			
	2007-2008	2006-2007	
Total Liabilities	6,59,881	4,10,535	
Total Assets	6,59,881	4,10,535	
Sources of Funds			
Paid-Up Capital	2,67,000	26,700	
Reserve and Surplus	3,92,881	3,80,891	
Secured Loans	0	2,944	
Unsecured Loans	Nil	Nil	
	<u>6,59,881</u>	<u>4,10,535</u>	
Application of Funds			
Net Fixed Assets	1,33,469	1,44,570	
Investments	5,61,825	5,61,824	
Net Current Assets	(28,352)	(2,70,929)	
Deferred tax Assets	(7,061)	(24,930)	
Miscellaneous Expenditure	Nil	Nil	
Accumulated Losses	Nil	Nil	
	<u>6,59,881</u>	<u>4,10,535</u>	
IV. Performance of Company (Amount in Rs. Thousands)			
Total Receipt	15,73,964	9,74,418	
Total Expenditure	12,34,316	8,20,549	
Profit/Loss Before Tax (-)	3,39,648	94,646	
Profit/Loss After Tax (-)	25,23,30	66,132	
Earnings Per Share in Rs.	24.22	24.77	
Dividend Rate (%)	Nil	Nil	
V. Generic Names of Three Principal Products/Services of the Company (as per Monetary terms)			
Item Code No. (ITC Code)	Not Applicable		
Product Description	Civil Engineering Construction		
Item Code No. (ITC Code)	Not Applicable		
Product Description	Technical man power supply		
Item Code No. (ITC Code)	Not Applicable		
Product description	Transportation		

For and on behalf of the Board

L.C KAILASH AND ASSOCIATES
Chartered Accountants

N.C.SHARMA
Director

L.C. GUPTA
Sr. Exec. Partner
(M.No. 5122)

RAJEEV KUMAR
Company Secretary

P.K.JAIN
Whole-time Director

Place : Noida
Dated : 20th May 2008



JAIPRAKASH ENTERPRISES LIMITED

Registered Office : Sector - 128, NOIDA - 201304, Uttar Pradesh, India
Delhi Office : 'JA-House', 63, Basant Lok, Vasant Vihar, New Delhi - 110057.

NAME OF THE SHAREHOLDER/PROXY*	DP ID**		Folio No.	
	Client ID**		No. of Shares held	

I hereby record my presence at the 30th Annual General Meeting being held at Sector-128, Noida (U.P.) on Wednesday, the 27th day of August, 2008 at 1:00 P.M.

SIGNATURE OF THE SHAREHOLDER/PROXY*

* Strike out whichever is not applicable

** Applicable for investors holding shares in electronic form.

Note : Please hand over the slip at the entrance of the meeting venue.

----- Cut here -----

PROXY



JAIPRAKASH ENTERPRISES LIMITED

Registered Office : Sector - 128, NOIDA - 201304, Uttar Pradesh, India
Delhi Office : 'JA-House', 63, Basant Lok, Vasant Vihar, New Delhi - 110057.

I/We of
in the district of being a Member(s) of the above named
Company hereby appoint of in the district
of or failing him/her of in the district
of as my/our proxy to attend and vote for me/us on my/our behalf at the 30th Annual
General Meeting of the Company to be held on Wednesday, the 27th day of August, 2008 at 1:00 P.M.

Signed at this day of 2008.

Folio No.	
No. of Shares held	

DP ID*	
Client ID*	

Affix Re. 1 revenue stamp

* Applicable for investors holding shares in electronic form.

Notes:

1. The Proxy need not be member.
2. The form of proxy, duly signed across Re. 1 revenue stamp should reach the Company, not less than 48 hours before the time fixed for the meeting.