

**MEMORANDUM AND ARTICLES  
OF ASSOCIATION  
OF  
THE MADHYA PRADESH STATE  
MINING CORPORATION  
LIMITED**

**FORM I.R.**  
**CERTIFICATE OF INCORPORATION**  
**NO. 937 of 1962.**

I hereby certify that the Madhya Pradesh State Mining Corporation Limited this day incorporated under the Companies Acts, 1956 (No, 1 of 1956) and that the Company is Limited by shares.

Given under my hand at Gwalior the Nineteenth day of January one thousand nine hundred and sixty two.

Seal of  
Registrar of  
Madhya  
Pradesh

SD/- M.S. NANE  
Registrar of Companies  
Madhya Pradesh

**MEMORANDUM OF ASSOCIATION**  
**OF**  
**THE MADHYA PRADESH STATE MINING CORPORATION**  
**LTD.**

- I. The name of the Company is "The Madhya Pradesh State Mining Corporation Limited".
- II. The Registered Office of the Company will be situated in the State of Madhya Pradesh.
- III. The objects for which the Company is established are the following
- (1) To search for Major and minor minerals and precious stones in the State of Madhya Pradesh and to acquire, by purchase of grant, mining and other rights in the lands with the State of Madhya Pradesh, and to win, open and work such mines quarries of major and minor minerals and precious stones in, above and under the said lands, or any of them or in, above and under any other lands over which mining rights may be acquired by the Company, and to raise, sell and dispose of major and minor minerals and precious stones to be procured there from, and to treat and make marketable, and convert such ores into metal, if found expedient to do so, or otherwise to deal with the produce of the mines, quarries and operations of the company.
  - (2) To acquire by purchase or otherwise any ores or minerals produce for the purpose of working and rendering the same marketable, and selling and disposing of the same, and to carry on any business which may seem convenient in connection with the development of the Company's mines, and property or which may seem calculated to enhance the value thereof.
  - (3) To acquire mining rights by obtaining licenses/leases from Government and to raise on behalf of Government major and minor minerals or such other "specified" minerals which have been reserved or likely to be reserved for exploitation in Public Sector, sell and dispose of the same, to treat and render marketable such of the aforesaid and any other minerals as are capable of commercial exploitation, beneficiation, etc.
  - (4) To apply purchase or otherwise acquire any patents, licenses and rights, conferring an exclusive or non-exclusive or limited rights, to use or any secret or other information as to any invention which may seem capable of being used and for any of the purposes of the Company, or the acquisition of which may seem calculated directly or indirectly to benefit the Company, and to use, exercise, develop or otherwise turn to account the rights and information so acquired.
  - (5) To enter into any arrangements with the Government Madhya Pradesh or the Central Government for rights concession and privilege that may seem, conducive to the Company's objects of any of them.
  - (6) To carry on trading in minerals by acting as intermediaries between the State Trading Corporation of India (Private) Limited and the mine-owner any by securing bulk contracts for sale or export of minerals or for purposes which may seem conducive to the attainment of any of the aforesaid objects of the Company.

- (7) To provide facilities for transportation of such Major and Minor minerals the development of which will directly benefit the Corporation's mine; and which could possibly be extended to mines of private individuals by collection of surcharge or cesses from miner minerals transported by others using the Corporation's roads and other facilities like water- supply, electric power, etc; so rendered available.
- (8) To acquire, work and dispose of and deal in any min, metals, minerals and other like substances and to acquire, produce by manufacture, treat, deal in or otherwise turn to account any mineral or mineral products.
- (9) To carry on the search for mining, getting obtaining, cutting, polishing and dealing in all precious, semiprecious and valuable stones.
- (10) To buy, sell, manufacture and deal in minerals, plant, machinery implements, conveniences, provisions and things capable of being used connecting with quarrying, mining and metallurgical operations or required by workmen and others employed by the Company.
- (11) To sink wells and shafts, lay down pipes and to construct, carry out, maintain, improve, manage, work control and superintend any roads, ways, train-ways, rail-ways, rope-ways, markets, bridges, reservoirs, tanks, water-works, aqueducts, canals, wharves, , furnaces, saw mills, crushing works, hydraulic work, electrical works, telegraph line, factories warehouses, dwelling houses , shops, coolie lines and houses and bustees, villages and other works, buildings and conveniences, which may seem directly or indirectly conducive to any of the objects of the Company and to contribute to subsidies or otherwise aid or take part in any such operations.
- (12) To provide funds for the purpose of prospecting, investigating and experimenting to any company, firm of person with a view to furthering any or all of the objects of the Company.
- (13) To acquire by purchase, lease, exchange or otherwise, lands. Buildings and here deterrments of any tenure or description, and any estate or interest therein, and any rights over or connected with land, and either to retain the same for the purpose of the Company's business or to turn the same to account as may seem expedient.
- (14) To adopt such means of making know the products of the Company as may seem expedient and 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.
- (15) To aid, peculiarly or otherwise, any association, body or movements having for an object the solution, settlement, or surmounting of industrial or labour problems or troubles or the promotion of industry or trade.
- (16) To establish and support, or aid in the establishment and support of associations, institutions, funds, trusts and conveniences calculated to benefit employees or ex-employees of the Company or its predecessors in business or the dependents or the connections of such person, and to pensions and allowances, and to make payments towards insurance, and to subscribe of guarantee money for charitable or benevolent objects, or for any exhibition for any public, general or useful object.

- (17) With the prior concurrence of the State Government to enter into partnership or into any arrangement for sharing profits or losses or into any union of interests, joint adventure, reciprocal concession, co-operation or amalgamation with any person or persons, of Company or Companies carrying on, or engaged in or about to carry on or engage in any business of transaction which the Company is authorized to carry on or engage in any business undertaking or transaction which may seem capable of being carried on or conducted so as directly or indirectly to benefit this Company.
- (18) Generally to purchase, take on lease or in exchange, hire or otherwise acquire any immovable or movable property, and any rights or privileges which the Company may think necessary or convenient with reference to any of these objects, and capable of being profitably dealt with in connection with any of the Company's property or rights for the time being.
- (19) To invest and deal with the moneys of the Company not immediately required, upon such securities and in such manner as may, from time to time, be determined.
- (20) To draw, make accept, endorse, execute and issue cheques, bills of exchange, promissory notes bills of lading, debentures and other negotiable or transferable instruments or securities.
- (21) To import, buy. Exchange, alter, improve, manipulate and otherwise deal in all kinds of plant, machinery, apparatus, tools, utensils, substances, materials, and things necessary or convenient for carrying on any of the above specified business or proceeding or usually dealt in by persons engaged in like business.
- (22) To carry on any other business which may seem to the Company capable of being conveniently carried on in connection with any of the above or calculated directly or indirectly to enhance the value of renter profitable any of the Company's property or right.
- (23) To acquire and undertake all over any part of the business, property and liabilities of any person of company carrying on any business which this Company is authorized to carry on possessed of propriety suitable for the purposes of this Company.
- (24) To enter into any arrangement with any Government or authority, supreme, municipal, local or otherwise that may seem conducive to the Company's objects or any of them and to obtain from any such government or authority, all rights, concessions and privilege which the Company may think it desirable to obtain, and to carry out, exercise and comply with any such arrangements, rights, privileges and concessions.
- (25) To do all any of the above things and all such other things as are incidental or conducive to the attainment of the above objects or any of them in India any part of the world either as principles, agents, contractors, trustees or otherwise and, either alone or in conjunction with others or either by, or through agents, contractors trustees or otherwise and to do all such things as are incidental or conducive to the attainment of the above objects.

**And it is hereby declared that:**

- (i) The Company by a government Company within the meaning of Section 617 of the Companies Act, 1956 controlled by the Government of Madhya Pradesh.
- (ii) The Word "Company" save when used in reference to this Company in this clause, shall be deemed to include any partnership or other body of parsons, whether incorporate or not incorporated, whether domiciled in India elsewhere,

- (iii) The several sub-clauses of this clause and all the powers thereof are to be cumulative and no case in the generality of any one sub-clause to be narrowed or restricted by any particularity of any other sub-clause, nor is any general expression in any sub-clause to be narrowed or restricted by any particularity of expression in the same sub-clause or by the application of any rule of construction elude generis or otherwise.
- (iv) The term "India" when used in this clause unless repugnant to the context, shall include all territories from time to time comprised in the Union of India.
- (v) The Liability of the members is limited.
- (vi) The authorized share capital of the company is Rupees Five Crore divided into five lakhs equity shares of Rupees one hundred each with the rights privileges and conditions attached thereto as may be provided by the Articles of Association of the company for the time being, with powers to increase and reduce the capital of the Company and to divide the shares in the Capital for the time being into several clauses and to attach thereto respectively such preferential deferred qualified, or special rights, privileges and conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify, amalgamate or abrogate any such right, privileges or conditions in such manner as may for the time being be provided by the Articles of Association of the Company.

We the several persons whose name 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:-

| S.No. | Name of the subscriber   | Address description & occupation, if any of subscriber       | No. of shares taken by each subscriber | Signature of subscriber | Signature of witnesses & their addresses description & occupation if any                        |
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| (1)   | (2)  | (3)  | (4)                                    | (5)                     | (6)   |
| 1.    | Governor of Madhya Pradesh signed by (K. L. Pasricha) Secretary to Government, Madhya Pradesh, Natural Resources Department, For and on behalf of the Governor of Madhya Pradesh | Madhya Pradesh Secretariat Bhopal                            | One (1)                                | Sd/- K.L. Pasricha      | Sd/- S.N. Sihno, Under Secretary to Govt. of Madhya Pradesh Natural Resources Department Bhopal |
| 2.    | Shri S.N. Mehta  | Chairman, Madhya Pradesh Electricity Board, Rampur, Jabalpur | One (1)                                | Sd/- S.N. Mehta         | Sd/- G.R. Rao, Officer-in-Charge, Directorate of Geology & Mining, Jabalpur                     |
| 3     | Shri Harishchandra   | Director of Geology & Mining, Madhya Pradesh, Bhopal         | One (1)                                | Sd/- Harishchandra      | Sd/- G.R. Rao, Officer-in-Charge, Directorate of Geology & Mining, Jabalpur                     |

Dated this 19<sup>th</sup> day of January 1962

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**ARTICLES OF ASSOCIATION  
OF  
THE MADHYA PRADESH STATE MINING CORPORATION  
LTD.**

| 1. | In these Articles unless there is something in the subject or context inconsistent therewith:<br><br>ōThe Actö or öThe Said Actö means the Companies Act (1 of 1956 of the Act or Acts or the time being in force concerning Joint Stock Companies and affecting the Company.<br><br>ōBoardö means meeting of the Directors duly called and constituted or as the case may be the Directors assembled at a Board.<br><br>ōCapitalö means the capital for the time being raised or authorized to be raised for the purpose of the Company.<br><br>ōThe companyö means the above named Company.<br><br>ōCorporationö includes Government.<br><br>ōDividendö includes bonus.<br><br>ōExecutorö or öAdministratorö means a person who has obtained Probate or Letters of administration as the case may be from some competent court.<br><br>ōThe Directorsö means the Director for the time being of the Company.<br><br>ōFinancial yearö means, in relation to any body corporate, the period in respect of which may profit and loss account of the body corporate laid before in annual general meeting is made up whether that period is a year or not.<br><br>ō The Governorö means the Governor of Madhya Pradesh.<br><br>ōMonthö means a calendar month.<br><br>ōOfficeö Means the Registered Office for the time being of the Company.<br>ōPersonsö include Corporation and firms as well as individuals.<br><br>ōRegulation of the Companyö means the regulations of the time Being in force for the management of the company.<br><br>ōThe Registerö Mean the register of members to be kept pursuant to the Act.<br><br>ōSealö means the common seal for the time being of the Company. | <b>Definition</b> |
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|    | <p>“Shares” means the shares or stock into which the capital is divided and the interest corresponding with such shares or stock.</p> <p>“In Writing” and “Written” include printing, Lithography and other modes representing or reproducing words in a visible form.</p> <p>Words importing the singular number include the plural member and vice versa.</p> <p>Words importing the masculine gender also include the feminine Gender</p> <p>Words importing persons include Corporations.</p> <p>Subject as aforesaid, any words or expressions defined in the Act, shall except where the subject or context forbade, bear the same meaning in these Articles.</p>  | <b>Expressions in the Act to bear the same meaning in Articles</b> |
| 2. | <p>(a) The Company is to be a Private Company and accordingly:-</p> <p>(i) The number of members for the time being of the Company (exclusive or persons who are for the time being in the employment of the Company and persons who having been formerly in the employment of the Company were members of the Company while in that employment and have continued to be members after the employment ceased) shall not exceed fifty.</p> <p>(ii) Any invitation to the public to subscribe for any shares in or Debentures of the Company is hereby prohibited.</p> <p>(iii) The right or transfer of shares shall be restricted as hereinafter Provided.</p> <p>Provided that where two or more persons hold one or more shares of the Company jointly, they shall for the purposes of this Article be treated as a single member.</p> | <b>Company to be Private Company</b>                               |
|    | <p>(b) The Company is to be a Government Company within the meaning of Section 617 of the Act controlled by the Government of Madhya Pradesh.</p>  | <b>Company to be a Government Company</b>                          |
| 3. | The regulations contained in Table ‘A’ in the First Schedule the Act shall not apply to the Company except in so far as it has been made expressly applicable under the Act..  | <b>Table ‘A’ not to apply</b>                                      |
| 4. | The regulations for the management of the Company, and for the observance of the members thereof and their representatives shall, subject to any exercise of the statutory powers of the Company in reference to the repeal or alteration of or addition to its regulations by special resolutions, as prescribed or permitted by the Act, be such as or contained in these Articles.  | <b>Company to be Governed by these regulations</b>                 |
| 5. | The authorized capital of the Company is Rupees Five Crore divided into Five lakhs equity shares of Rs. 100 each provided that the Company may alter the conditions of its memorandum so as to increase its share capital such amount as it thinks expedient by issuing new shares in the manner prescribed in section 94 of the Act..   | <b>Capital</b>   |
| 6. | No part of the funds of the Company shall be employed in the purchase of or in loans upon the security of the Company’s shares.  | <b>Company’s shares not to be Purchased</b>                        |
| 7. | Subject to the provisions of the Act and these articles and to The rights of the Governor, the shares shall be under the control of the Directors who may allot or otherwise dispose of the same to such persons on such terms and conditions as they think fit.   | <b>Allotment of shares</b>   |
| 8. | The Company may at any time pay a commission to any person for subscribing or  | <b>Commission for</b>  |



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|        | agreeing to subscribe (Whether absolute or conditionally) for any shares, debentures or debenture stock of the Company, procuring or agreeing to procure subscriptions (Whether absolute or conditions) for any shares, debentures or debenture stock of the Company but so that if the commission in respect of shares shall be paid or payable out of the capital the statutory conditions and requirements shall be observed and complied with and the amount or rate of commission; in the case of shares does not exceed 5 percent of the price at which the shares are issued and in the case of debentures 2 ½ percent, of the of the price at which the entures are issued. The commission may be paid or satisfied in cash or in shares, debentures or debenture stock of the Company. | <b>placing shares</b>  |
| 9.     | Every person whose name is entered as a member in the register shall without payment, the entitled to a certificate under the common seal of the Company specifying the share or shares held by him and the amount paid thereon:-<br><br>Provided that, in respect of a share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate, for a share to one of several joint holders shall be sufficient delivery to all.   | <b>Share Certificate</b>   |
| 10.    | If a share certificate is defaced, lost or destroyed, it may be renewed on payment of such fee, if any, and of such terms , if any, as to evidence and indemnity as the Directors think fit.  | <b>Issue of new share certificate in place of one defaced, lost or destroyed</b> |
| 11.    | The öBoardö Directors may, by means of resolutions passed at meetings of the Board of Directors, from time to time, make calls upon time members in respect of any moneys unpaid on their shares and specify the time or times of payment and each member shall pay to the Company at the time on times so specified the amount called on his shares.<br><br>Provided, however, that the Board may fro time to time, at their discretion extend for the payment of any call.  | <b>Calls on shares</b>   |
| 12.    | If the sum payable in respect of any call be not paid on or before the day appointed for pay thereof the holder for the time being of allottee of the share in respect of which a call shall have been made, shall pay interest on the same at such rate not exceeding 6 percent, per annum as the director 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.   | <b>when interest on call payable</b>   |
| 13.    | The Directors may, if they fit, receive from any member willing to advance the same, all or any part of the moneys due upon the share held by him beyond, the sums actually called and upon the moneys so paid in advance or so much thereof as from time to time exceeds the amount of the call then made, upon the shares in respect of which such advance has been made, the Company may pay interest at such rate not exceeding 6 percent, per annum as the members paying such sum in advance and the Directors agree upon, and the Directors may, at any time, repay the amount so advanced upon giving to such member three months notice in writing.  | <b>Payment in anticipation calls may carry interest.</b>                         |
| 14.    | The joint-holders of a share shall be jointly and severally liable to pay all calls in respect thereof.   | <b>Joint holder's liability to pay</b>   |
| 15.(i) | If a member fails to pay any coal, or installment of a call, on the day appointed for   | <b>For failure of shares</b>   |

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| <p>(ii)</p> <p>(iii)</p> <p>(iv)</p>              | <p>payment thereof, the Board may at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice of him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.</p> <p>The notice aforesaid shall:-</p> <p>(a) Name a further day (not being earlier then the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and</p> <p>(b) State that, in the event of non-payment on or before the date so named, The shares in respect of which the call was made will be liable to be forfeited</p> <p>If the requirements of any such notice as aforesaid are not complied with any shares in respect of which the, notice has been given may, at any time thereafter before the payment required by the notice has been made, be forfeited by a resolution of the board to that effect..</p> <p>A forfeited share may be sold or otherwise disposed of on such terms and in the such manner as the Board thinks fit.</p> |   |
| <p>16(i)</p> <p>(ii)</p>                          | <p>A person, whose shares have been forfeited shall cease to be a member in respect of the forfeited share, but shall, not with standing the forfeiture, remain liable to pay the Company all moneys which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares.</p> <p>The liability of such persons shall cease if and when the company shall have received payment in full or all such moneys in respect of the shares.</p>  | <p><b>Effects forfeiture</b></p>                              |
| <p>17(i)</p> <p>(ii)</p> <p>(iii)</p> <p>(iv)</p> | <p>A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive of the facts therein stated as against all persons claiming to be entitled to the share.</p> <p>The Company may receive the consideration, if any, given for the share on any sale disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of.</p> <p>The transferee shall, thereupon, be registered as the holder of</p> <p>The transferee shall not be bound to see the application of the purchase money, if any, nor shall his title to the share to affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.</p>  |   |
| <p>18.</p>  | <p>The provision of these articles as to forfeiture shall apply in the case of no-payment of any sum, which by terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium as in the same had</p>  | <p><b>Provisions regarding forfeiture to apply in the</b></p> |

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|     | been payable by virtue of a call duly made and notified.   | <b>case of non-payment of sums payable at a fixed time</b> |
| 19. | The Company shall have a first paramount lien on every share (not being a fully paid share) for all money (whether presently payable or not) called or payable at a fixed time in respect of that share and the Company shall also have a lien on all shares (other than fully paid shares) standing registered in the name of a single person, for all moneys presently payable by him or his estate to the Company, but the Directors may, at any time, declare any share to be wholly or in part exempt from the provisions of this Article. The Company's lien, if any on a share shall extend to all dividends payable thereon. | <b>Company's lien on share</b>                             |
| 20. | The Company may sell, in such manner as the Directors think fit, any shares on which the company has a lien, but no sale shall be made unless such sum in respect of which the lien exists is presently payable nor until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share, or the person entitled by reason of his death or insolvency to the share.   | <b>Enforcement of lien by sale</b>                         |
| 21. | The proceeds of the sale shall be received by the Company and shall be applied in payment of such part of the amount in respect of which the lien exists as is presently payable and the residue if any shall (subject to a like lien for sums not presently payable as existed to the shares at the date of proceedings in reference to the sale.<br><br>The purchaser shall be registered as the holder of the shares and he shall not be bound to see to the application of the purchase money, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the sale.       | <b>Application of proceeds of sale</b>                     |
| 22. | The right of members to transfer their shares shall be restricted as follows:-<br><br>(a) A share may be transferred by a member or other person entitled to transfer to a person approved by the Governor .<br><br>(b) Subject as aforesaid and the provisions of Section III of the Act, the Directors may in their absolute and uncontrolled discretion refuse to register any proposed transfer of shares.   | <b>Transfer of shares</b>                                  |
| 23. | If the Directors refuse to register the transfer of any shares they shall, within two months of the date on which the instrument of transfer is delivered to the Company, send to the transferee and the transfer notice of the refusal.   | <b>Notice of refusal to register transfer</b>              |
| 24. | Save as herein otherwise provided, the Directors shall be entitled to treat the person whose   | <b>Company not</b>   |

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|     | name appears on the register of members as the holder of any share as the absolute owner thereof and accordingly shall not(except as ordered by a court of competent jurisdiction or as by law required) be bound to recognize any benami trust or equity or equitable contingent or other claim to or interest in such share on the part of any person whether or not it shall have express or implied notice thereof.  | <b>bound to recognize any interest in shares other than that of the registered holders</b> |
| 25. | The instrument of transfer of any share in the Company shall be executed both by the transferor and transferee and the transferor shall be deemed to remain holder of the share until the name of the transferee is entered in the register of members in respect thereof.   | <b>Execution of Transfer</b>   |
| 26. | <p>Shares in the Company shall be transferred in the following form or in any usual or common form which the Directors shall approve.</p> <p>I.A.B. or í í í í í í í í í í í í í í .. In consideration of the sum of Rupees í í í í í í í í í í í í í í í í .. paid to me by the C.D. of (here-in-after called the said transferee) do hereby transfer to the said transferee the shares numbered í í í í í í í .. to í í í í í . inclusive, the undertaking called the í í í í í í í í í í í í ..</p> <p>Company Limited to hold into the said transferee, his executors administrators and assigns subject to the several conditions on which I hold the same at the time of the execution thereof and the said transferee, do hereby agree to take the said shares subject to conditions aforesaid. As witness our hands the í í í í í í í í day of í í í í í í í í í í . witness to the signature to the signature of, etc.</p> <p>(Every instrument of transfer shall be attested).</p> | <b>Form of transfer</b>  |
| 27. | Every instrument of transfer shall be left at the office of registration, accompanied by the certificate of the shares to be transferred, and such evidence as the Company may require to prove the title of the transferor or his right to transfer the shares. All instruments of transfer shall be retained by the Company, but any instrument of transfer which the Directors may decline to register shall on demand, be returned to the person depositing the same.  | <b>Transfer to be left at office and evidence of title to be given</b>                     |
| 28. | Nothing contained in Article 22 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.  | <b>Transmission by operation of law</b>  |
| 29. | A fee not exceeding two Rupees may be charged for each transfer and shall, if required by the Directors, be paid before the registration thereof.  | <b>Fee on transfer</b>   |
| 30. | The Register of members of register of debenture holders may be closed for any period or periods not exceeding in the aggregate 45 days in each year by exceeding 30 days at any one time after giving not less than 7 days previous notice by advertisement in some new papers circulating in the district in which the registered office of the Company is situated.   | <b>When register of members or debenture holders may be closed</b>                         |

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| 31. | The directors shall have the same right to refuse to register a person entitled by transmission to shares or his nominee, as if he were the transferee named in an ordinary transfer presented for registration.  | <b>Director's right to refuse registration subject to be provision of section III of the Act</b> |
| 32. | Subject to the approval of the Governor, the Directors may with the sanction of the Company in general meeting, increase the share capital by such sum, to be divided into shares of such amount, as the resolution shall prescribe.  | <b>Power to increase capital</b>   |
| 33. | Subject to such directions as may, be issued by the Governor in this behalf new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the general meeting resolving upon the creation thereof shall direct and if no direction be given, as the Directors shall determine and in particular such shares may be preference shares.<br>Provided that no shares (not being preference shares) shall be issued carrying voting right or rights in the Company as to dividend, capital or otherwise which are disproportionate to the rights attaching to the holders of other shares (not being preference shares) | <b>On what condition new shares may be issued</b>  |
| 34. | Except so far as otherwise provided by the conditions of issue, of by these Articles, any capital raised by the creation of new shares shall be considered part of the original capital and shall be subject to the provisions herein contained with reference to the payment of calls and installments, transfer and transmission, lien, voting surrender and otherwise.   | <b>How far new shares to rank with shares in original capital</b>                                |
| 35. | The new shares shall be offered to the members in proportion to the existing shares hold by each member and such offer shall made by notice specifying the number of shares to which the member is entitled and limiting a time within which the offer, if not accepted, will be deemed to be declined; and after the expiration of such time or on receipt of an intimation from the member to whom such notice is given that he declines to accept the shares offered, the directors may dispose of the same in such manner as they think most beneficial to the Company.   | <b>Now shares to be offered to members</b>   |
| 36. | Subject to the provisions of Section 100 to 104 of the Act and to such directions as may issued by the Governor in this behalf, the Company may (from time to time) by special resolution reduce its capital by paying of capital or cancelling capital which has been lost of its unrepresented by available assets, or is superfluous or by reducing the liability on the shares or otherwise as may seem expedient and capital may be paid off upon the footing that it may be called up again or otherwise; and the Directors may, subject to the provisions of the Act, accept surrenders of shares.   | <b>Reduction of capital etc.</b>   |
| 37. | Subject to the approval of the Governor, the Company, in general meeting from time to time subdivide or consolidate its shares or any of them and exercise any of the other powers conferred by Section 94 of the Act and shall file with the Registrar such notice of exercise of any such powers as may be required by the Act.   | <b>Sub-division and consolidation of shares</b>  |

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| 38  | <p>If at any time, the capital, by reason of the issue of preference shares of otherwise, is dividend into different classes of shares, all or any of, the rights and privileges attached to each class may, subject to the provisions of Section 106 and 107 of the Act, be modified abrogated or dealt with by agreement between the Company and by any person purporting to contract on behalf of that class, provided such agreement is</p> <p>(a) ratified by the consent of the holders of at least three-fourths of the nominal value of the issued shares of that class, or</p> <p>(b) confirmed by a resolution passed at a separate general meeting of the holders of that class supported by the votes of at least three-fourths share holders of these shares and all the provisions hereinafter contained as to general meeting shall MUTATIS MUTANDIS apply to every such meeting except that the quorum thereof shall be members holding or representing by the proxy one-fifth of the nominal amount of the issued shares of that class. This Articles is not by implications to curtail the power of modification which the Company would have if the Article were omitted.</p> | <b>Power to modify</b>                                   |
| 39. | Subject to the approval of the Governor and subject to the provisions of Section 292 of the Act the ðBoardð may by means of resolutions passed at meeting of the Board from time to time, borrow and or secure the payment of any sum or sums of money for the purpose of the Company.   | <b>Power to borrow</b>                                   |
| 40. | The Directors may, subject to the approval of the Governor secure the repayment of such moneys in such manner and upon such terms issue of bonds, perpetual or redeemable debentures or debenture stock or any mortgage charge or other security on the undertaking of the whole or any part of the property of the Company ( both present and future) including its uncalled capital for the time being.  | <b>Condition on which money may be borrowed</b>          |
| 41. | Debentures, debenture stock, bonds or other securities may be made assignable fee from any equities between the Company and the person to whom the same be issued.   | <b>Securities may be assignable fee from equities</b>    |
| 42. | Subject to the approval of the Governor and subject to the provisions of Section 78 and 79 of the Act, any debentures, debenture stock , bonds or other securities may be issued at a discount premium or otherwise and with any special privileges as to redemption, surrender, drawings allotment of shares, appointment of Director and otherwise.  | <b>Issue at discount etc. or with special privileges</b> |
| 43. | Whenever any of uncalled capital of the Company is changed, all persons taking any subsequent charge thereon shall take the same subject to such prior charge and shall not be entitled, by notice to the shareholders or otherwise, to obtain priority over such prior charge.  | <b>Person not have priority over any prior charge</b>    |

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| 44. | If the Directors or any of them or any other person shall become personally liable for the payment of any some primarily due from the Company, the Director may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any, part of the assets of the Company by way of indemnity to secure the Directors of person so becoming liable as aforesaid from any loss in respect of such liability.   | <b>Indemnity may be given</b>                  |
| 45. | The first annual general meeting of the Company shall be held within eighteen months of its incorporation. Subsequent annual general meeting shall be held in each year within six months after the expiry of each financial year. Except the case when for any special reason, time for holding any annual general meeting (not being the first annual general meeting) is extended by the Registrar of Companies under section 166 of the Act, no greater interval than fifteen months shall be allowed to elapse between the date of one annual general meeting and that of the next. Every annual general meetings shall be held during business hours on a day other than a public holiday 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, and the notice calling the meetings shall specify it as the annual general meeting. Such general meeting shall be called "Annual General Meeting" and all other meetings of the Company shall be called "Extraordinary General Meeting."   | <b>General Meeting</b>                         |
| 46. | <p>Subject to the provisions of section 169 of the Act the Directors may, whenever they think fit and they shall, on the requisition of the holders of not less than one-tenth of the period up Capital of the Company upon which all calls or other sums then due have been paid as at that date carry the right of voting in regard to that matter forthwith proceed the convene an extraordinary meeting of the Company, and in the case of such requisition the following provisions shall have effect.</p> <p>(a) The requisition must state the objects of the meeting and must be signed by the requisitionists and deposited at the office and may consists of several documents, in the form each signed by one or more requisiteness.</p> <p>(b) If the Directors of the Company do not proceed within twenty one days from the date of requisition being so deposited to cause a meeting to be called on a day not later than forty-five days from the date of the deposit of the requisition, the requisitionists or a majority of them in value may themselves convene the meeting, but any meeting so convened shall be held within three months from the date of the deposit of the requisition.</p> <p>(c) Any meeting convened under this Article by the requisitionists shall be convened in the same manner as nearly possible as that in which meetings are to be convened by the Directors.</p> <p>(d) If after a requisition has been received, it is no possible for a sufficient number of Directors to meet in time so as to form a quorum any Director may convene an extraordinary general meeting in the same manner as early as possible as that in which meetings may be convened by the Director.</p> | <b>When extraordinary meeting to be called</b> |
| 47. | Subject to the provisions relating to special resolution hereinafter contained, at least four clear days notice in writing specifying the place, day and hour of meeting, with a statement of the business to be transacted at the meeting shall be served on every member in the manner hereinafter provided, but with the consent in writing of all the members  | <b>Notice of meeting</b>                       |

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|         | <p>entitled to receive notice of same, any particular meeting may be convened by such shorter notice and in such manner as those member may think fit:</p> <p>Provided however that where any resolution is intended to be passed as a special resolution at any general meeting as required by Section 189 of the Act,, not less than twenty-one days notice of such meetings specifying the intention to propose the resolution as a special resolution shall be served:</p> <p>Provided, further that if all the members entitled to attend and vote at such meeting so agree, a resolution may be proposed an and passed as a special resolution at a meeting of which not less than twenty-one days notice has been given.</p> |  |
| 48      | The accidental omission to give any such notice to or the non-receipt of any such notice by any members shall not in invalidate the proceedings at any meeting.   | <b>Omission to give Notice</b>                                       |
| 49.     | The business of an annual general meeting shall be to receive and consider the profit and loss account, the balance sheet, and the report and the report of the Directors and of the Auditors, to declare dividends, to appoint and fix the remuneration of Auditors and to transect any other business which under these Articles ought to be transacted at an annual general meeting. All the business transacted at such meeting and all business transacted at an extraordinary meeting shall be deemed special. All business of annual general meeting to be transacted in accordance with Section 173 of the Act.   | <b>Business of ordinary meeting</b>                                  |
| 50.     | Two members present in person of whom one shall be a representative of the Governor as shareholder shall be a quorum for a general meeting.   | <b>Quorum</b>  |
| 51. (a) | The Governor so long as he is a shareholder of the Company, may from time to time, appoint one or more persons (who need not be a member of the Company) to present him at all any meeting of the Company.  | <b>Right of Governor to appoint any person as his representative</b> |
| (b)     | Any one of person appointed under sub-clause (a) of this Article who is personally present at the meeting shall be deemed to be a member entitled to vote and be present in person and shall be entitled to present the Governor at all or any such meetings and to vote on his behalf whether on a show of hands or on a poll.   |  |
| (c)     | The Governor may, from time to time cancel any appointment made under sub-clause (a) of this Article and make fresh appointment.  |  |
| (d)     | The production at the meeting of an order of the Governor evidenced as provided in the constitution of India shall be accepted by the Company as sufficient evidence of any such appointment or cancellation as aforesaid.  |  |
| (e)     | Any person appointed by the Governor under this Article may, if so authorized by such order, appoint a proxy, whether specially or generally.   |  |
| 52.     | The Chairman of the Directors shall be entitled to take the chair at every general meeting or if there be no such Chairman or if at any meeting he shall not be present within half an hour after the time appointed for holding of such meeting or is unwilling to act as Chairman, the members present shall choose another Director as Chairman and if no Director shall be present, or if all the Director present decline to take the chair, then the  | <b>Chairman of General Meeting</b>                                   |



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|     | members present shall choose one of their member to be Chairman.   |  |
| 53. | If within half an hour form the time appointed for the meeting a quorum is not present, the meeting, if convened upon such requisition as aforesaid shall be dissolved, but in any other case it shall stand adjourned to the same day in the next week at the same time and place, and if such adjourned meeting a quorum is not present those members who are present shall be a quorum and may transact the business for which the meeting was called.  | <b>When if quorum no present meeting to be dissolved and when to be adjourned</b>    |
| 54. | Every question submitted to a meeting shall be decided in the first instance by a show of a hands and in the case of an equality of votes the Chairman shall, both on a show of hands and at a poll (if any), have a casting vote in addition to the vote to which he may be entitled as a member.   | <b>How question to be decided at meetings</b>  |
| 55. | At any general meeting a resolution put to the vote of the meeting, shall be decided on a show of hand, unless a poll is, before or on the declaration of the result of the show of hands, demanded by a member present in person or proxy or by duly authorized representative, and unless a poll is so demanded, a declaration by the Chairman that a resolution has, on a show of hands, been carried or carried unanimously or by a particular majority or lost and entry to that effect in the book of proceedings of the Company, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against that resolution. | <b>What is to be evidence of the passing of a Resolution where poll not demanded</b> |
| 56. | If a poll id duly demanded, it shall be taken in such manner and at such time and place as the, Chairman of the meeting directs and either at once or after an interval or adjournment or otherwise and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand of a poll may be withdrawn.  | <b>Poll</b>  |
| 57. | The chairman of a general meeting may, with the consent of the meeting, adjourn the same, from time to time and from place to place put on business shall be transacted at any adjourned meetings other than the business left unfinished at the meeting from which the adjournment took please.   | <b>Power to adjourn general meeting</b>  |
| 58. | Subject to the provisions of Section 180 of the Act, any poll duly demanded on the election of a Chairman of a meeting or on any question of adjournment shall be taken at the meeting and without adjournment.  | <b>In what cases poll taken without adjournment</b>                                  |
| 59. | The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.   | <b>Business may proceed notwithstanding demand of poll</b>                           |
| 60. | The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be a sole judge of the validity of every vote tendered at such poll.  | <b>Chairman's decision conclusive</b>  |
| 61. | Upon a show of hands every member present in person shall have one vote and upon a poll every member present in person or proxy or by duly authorized representative shall have one vote for every one share held by him.  | <b>Votes of members</b>  |

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| 62. | No member not personally present shall be entitled to vote on a show of hand.   | <b>No voting by proxy on show of hands</b>                         |
| 63. | Any person entitled under the transmission clause to any shares may vote at any general meetings in respect thereof in the same manner as if he were the registered holder of such shares, provided that seventy two hours at least before the time of holding the meeting of adjourned meeting as the case may be at which the purpose to vote, he shall satisfy the Directors of his right to such shares, unless the Directors hall have previously admitted his right to such shares or his right to vote at such meeting in respect thereof.   | <b>Votes in respect of shares of deceased and bankrupt members</b> |
| 64. | Where there are joint registered holders of any share, any one of such person 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, that one of the said persons present whose name stands first on the register in respect of such share shall alone be entitled to vote in respect thereof. Several executors or administrators of a deceased member in whose name any share stands, shall for the purpose of this clause be deemed joint holder thereof. | <b>Joint holder</b>  |
| 65. | 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 poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.   | <b>Vote in respect of shares of members of unsound mind</b>        |
| 66. | On a poll, votes may given either personally or by proxy or by duly authorized representative.  | <b>Proxies permitted</b>   |
| 67. | A member entitled to attend and vote at a meeting may appoint another person (whether a member or not) as his proxy to attend a meeting and vote on a poll. No member shall appoint more than one proxy to attend on the same occasion. A proxy shall not be entitled to speck at a meeting or to vote except on a poll.<br><br>The instrument appointing a proxy shall be in writing and be signed by the appointer or his attorney duly authorized in writing or, if the appointer is a body corporate, be under its seal or be signed by an officer or an attorney duly authorized by it.                                | <b>Instrument appointing proxy to be in writing</b>                |
| 68. | The instrument appointing a proxy an the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power or authority, shall be deposited at the registered office of the Company not less than seventy two 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.  | <b>Instrument appointing proxy to be deposited at office</b>       |
| 69. | A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the principle, or revocation of the proxy, provided no intimation in writing of the death or revocation shall have been received at the Office of the company before the meeting.  | <b>When Vote by proxy valid through revoked</b>                    |
| 70. | An instrument appointing a proxy may be in the following from, or in any other form which the directors shall approve:-<br><br>Madhya Pradesh State Mining Corporation Limited:-  | <b>Form of Proxy</b>   |

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|           | <p>             ðÍ í í í í í í í í í í . of í í í í í í í í .. in the district of í í í í í í ..<br/>             of..... being a member of the above named Company hereby appoint<br/>             í í í í ... of í í í í í í í í í í í í .. In the district of<br/>             í í í í í í í í í í í as my proxy to vote for me on my behalf at the (ordinary or<br/>             extraordinary as the case may be) general meeting of the Company to be held on the<br/>             í í í í í í í í í í í í day of í í í í í í í í í í . and at any<br/>             adjournment thereof.<br/>             Signed this í í í í í í í í í í day of í í í í í í í í í í ...           </p> |   |
| 71.       | No member shall be entitled to be present, or to vote on any question either personally or by proxy or as proxy for another member, at any general meeting or upon poll, or be revoked in a quorum while any call or other sum shall be due and payable to the Company in respect of any of the shares of such member.  | <b>No members entitled to vote etc. while call due to Company</b> |
| 72.       | 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 proxy, not disallowed at such meeting or poll, shall be deemed valid for all purposes of such meeting or poll whatsoever.   | <b>Time for objection to vote</b>                                 |
| 73.(a)    | The Governor shall, from time to time, determine, in writing, the number of Directors of the Company which shall not be less than two and not more than Twelve.   | <b>Number of Directors</b>  |
| (b)       | The Directors are not required to hold any qualification shares.  |   |
| 74.(a)(i) | The Directors shall be appointed by the governor and shall be paid such salary and the allowances as the Governor may from time to time determine. Subject to the provisions of section 314 of the Act., such reasonable additional remuneration as may be fixed by the Governor may be paid to any one or more of the Directors for extra or special services rendered by him or them or otherwise.  | <b>Holding of qualification shares by Directors</b>               |
| (ii)      | At every Annual General Meeting of the Company all the official Directors, except the Chairman, Deputy Chairman, Managing Director, Executive Director and non-official Directors shall retire from the office. Non-official Chairman, Deputy Chairman and Non-official Director shall retire after completion of period of two years from the date of their appointment. The Chairman, Deputy Chairman(if official) and the Managing Director, Executive Director shall retire on their ceasing to hold the office of the Chairman, Deputy Chairman and the Managing Director, Executive Director respectively. A retiring Director shall be eligible for re-appointment.                    |   |
| (iii)     | The Governor may from time to time, appoint a Chairman and Deputy Chairman of the board of directors and determine the period for which either of them is to hold his respective offices.   |   |
| (iv)      | The Governor shall have the power to remove any Director including the Chairman, Deputy Chairman if any and the Managing Director, Executive director from office at any time in his absolute discretion.   |   |
| (v)       | The Governor shall have the right to fill any vacancy in the office of a director caused by retirement, removal registration, death or otherwise.   |   |

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| <p>(vi)</p> <p>(b)</p>                      | <p>No person, including the Chairman, Vice Chairman, shall continue as a director in the event of his availing the benefits/facilities beyond the limits fixed by the State Govt. in this regard from time to time.</p> <p>Within prejudice to the provision contained in sub-clause (a) of this Article, on incorporation the following shall among others, be the Director of the Company:-</p> <p>(1) Shri S.N. Mehta, Chairman,<br/>Madhya Pradesh Electricity Board,<br/>Rampur, Jabalpur</p> <p>(2) Shri Harish Chandra, Director of Geology &amp; Mining<br/>Madhya Pradesh, Raipur</p>  |   |
| <p>75.(a)</p>                               | <p>The business of the Company shall be managed by the Board of directors who may pay all the expenditure incurred in setting up and registering the Company.</p> <p>Subject to the provisions of this Act, this Board of directors of the Company shall entitled to exercise all such powers, and to do all such acts and things, as the Company is authorized to exercise and do:</p>   | <p><b>General Powers of the Board</b></p>   |
| <p>(b)</p>                                  | <p>Provided that the Board shall not exercise any power to do any Act or thing which is directed or required, whether by this or any other Act or by the Memorandum of Articles of the Company or otherwise, to be exercised or done by the Company in General Meeting.</p> <p>Provided further that in exercising any such Act or thing, the Board shall be subject to the provisions contained in the behalf in this or any other Act, or in the Memorandum of Article of the Company, or in any regulation not inconsistent therewith and duly made there under, including regulation made by the Company in General Meeting.</p> <p>No regulation made by the Company in General Meeting shall invalidate any prior Act of the Board, which would have been validated if that regulation had not been made.</p>   |   |
| <p>76.</p> <p>(a)</p> <p>(b)</p> <p>(c)</p> | <p>Without prejudice to the general powers conferred by these Articles, and subject to the provisions of the Act, the Director shall have the following powers that is to say powers:-</p> <p>to purchase, take on lease or otherwise acquire for the company, property, rights or privileges which the Company is authorized to acquire at such price and generally on such terms and conditions as they think fit;</p> <p>to authorize the undertaking of works of capital nature subject to the condition that shall cases involving a capital expenditure exceeding Rupees Five Lakhs shall be referred to the Governor for his approval before authorization ;</p> <p>to pay for any property, rights of privileges acquired by or services rendered to the Company, either wholly or partially in cash in shares, bonds, debentures or other securities of the Company, any such shares may be issued either as fully paid up or with such amount created as paid up thereon as may be agreed upon and any such bond, debentures or other securities may be either specifically charges upon all or any part of the property of the Company and its uncalled capital or not so charged;</p> | <p><b>Specific Power to Directors</b></p> <p><b>To acquire property</b></p> <p><b>Works of capital nature</b></p> <p><b>To pay property in debentures, etc.</b></p> |

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| (d) | to secure the fulfillment of any contracts of engagements entered into by the Company by mortgage or charges 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;  | <b>To Secure contracts by mortgage</b>      |
| (e) | to appoint and at their discretion, remove to suspend such managers, secretaries, officers, clerks, agents and servants, for permanent. temporary of special services as they may, from time to time, think fit, and to determine their powers and duties and fix their salaries or emoluments, and to require security in such instance and to such amount as they think fit, provided the no order be issued for the direct appointment to any post above class II (Present pay scale of Rs. 2200-4000 subject to revision from time to time) without the prior approval of the State Government. | <b>To appoint officers etc.</b>             |
| (f) | To appoint any person or persons (whether incorporated or not) to accept and hold in trust or the Company, any property belonging to the Company or in which it is interested or for any other purposed, and to execute and do all such deeds and things as may be requisite in relation to any such trust and to provide for the remuneration of such trusts of trustees;  | <b>To appoint Trustees</b>                  |
| (g) | to institute, conduct, defend , compound or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company, and also to compound and allow time for payment for satisfaction, of any claims or demands by or against the Company;   | <b>To bring and defend action etc.</b>      |
| (h) | to refer any claims or demand by or against the company to arbitration; and observe and perform the awards;   | <b>To refer to arbitration</b>              |
| (i) | to make and give receipt, release and other discharges for money payable to the Company, and for the claim and, demands of the Company;   | <b>To give receipt</b>                      |
| (j) | to determine who shall be entitled to sign on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, releases, contractors and documents;  | <b>To authorize acceptance, ect.</b>        |
| (k) | from time to time provide for the management of the affairs of the Company outside the mining areas which in this context include the township and sites of operations of the Company in such manner as they think fit and in particular to appoint any person to be the attorneys or agent of the Company with such powers (including power to sub-delegate) and upon such terms as may be thought fit;  | <b>To appoint attorneys</b>                 |
| (l) | to invest in such securities as may be approved by the governor and deal with any of moneys of the Company upon such investments authorized by the Memorandum of Association of the Company (not being shares in this Company) and in such manner as they think fit, and from time to time to vary or realise such investments;   | <b>To invest moneys</b>                     |
| (m) | to execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability for the benefit of Company such mortgage of the Company's property (present and future) as they think fit and any such mortgage may contain a power of sale and such other powers, covenants and provisions as shall be agreed upon;  | <b>To give security by way of indemnity</b> |

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| <p>(n)</p> <p>(o)</p> <p>(p)</p> <p>(q)</p> <p>(r)</p> <p>(s)</p> <p>(t)</p> | <p>subject to the approval of the Governor to give to any person employed by the Company a commission on the profits of any particular business transaction, or a share in the general profits of the Company, and such commission of share of profits shall treated as part of the working expenses of the Company;</p> <p>from time to time to make, very and repeal bye-laws for the regulations of the business of the Company, its officers and servants;</p> <p>to give, award of allow any bonus, pension, gratuity or compensation to any employee, of the Company, or his widow, children or dependents that may appear to the Directors just or proper, whether such employee, his widow, children of dependents have or have not a legal claim upon the Company,</p> <p>before declaring dividend and subject to the approval of the Governor, to set aside such portion of the profits of the Company as they may think fit, to form a fund to provide for such pensions, gratuities or compensation or to create any provident or benefit fund in such manner as the Directors may deem fit;</p> <p>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 Madhya Pradesh, and to appoint person to be members of such locals Board and to fix their remuneration; and from time to time and at any time delegate to any person so appointed any of the powers, authorities and discretion for the time being vested in the Directors other than their power to make call and to authorize members for the time being of any such local Board or any of them, to fill up any vacancies, and any such appointment delegation may be made in such terms, and subject to such conditions as the Directors may think fit , and the Directors may at any time remove any person so appointed and may annual or very any such delegation;</p> <p>to enter into all such negotiations and contracts and rescind and very 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 purposes of the Company, and</p> <p>to sub-delegate all or any of the powers authorities and discretion for the time being vested in them subject however, to the ultimate control and authority being retained by them,</p> | <p><b>To give percentage</b></p> <p><b>To make bye-laws</b></p> <p><b>To give bonus</b></p> <p><b>To create Provident</b></p> <p><b>To establish local Board</b></p> <p><b>To make contracts etc.</b></p> <p><b>To sub-delegate powers</b></p> |
| <p>77(a)</p>   | <p>The Governor may appoint one of the Directors to be the Managing Director of the Company for the conduct and management of the Company, subject to the direction control and supervision of the Board of Director. The Managing Director of the Company may be authorized by the Board to exercise such power in relation to the affairs of the Company as are specifically delegated to him by the Board.</p> <p>Subject to the provisions of section 293 of the Companies Act, 1956 the Managing Director of the Company in consultation with the Chairman may also use the power of the Board in the interest of the business of the Company. However, the decisions so taken would have to be ratified by the Board of Directors in its next meeting.</p>  | <p><b>Appointment of Managing Director</b></p>   |

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| (b) | The Managing director shall be paid such salary and allowance as may be fixed by the Governor.   |   |
| 78. | <p>The Directors shall cause minutes to be made in bound books with pages consecutively numbered provided for the purpose:-</p> <p>(a) Of all appointments of officers made by the Directors.</p> <p>(b) Of the names of the Directors present at each meeting of the Directors and of any committee of the Directors.</p> <p>(c) The Director shall cause minutes to be made in loose leaves and such leaves are to be bound at an interval of two years.</p> | <b>Directors to cause minutes to be made in books</b> |
| 79. | The seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board of Directors and in the presence of one Director at the least.   | <b>Seal</b>   |

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| <p>80.</p> | <p>The office of the Director shall be vacated if :-</p> <ul style="list-style-type: none"> <li>(a) he is found to be of unsound mind by a court of competent jurisdiction;</li> <li>(b) he applies to be adjudicated an insolvent;</li> <li>(c) he is convicted by a Court in India of any offence and is sentenced in respect thereof to imprisonment for not less the six months;</li> <li>(e) he fails to pay any call in respect of shares of the Company held by him whether alone or jointly with others within six months from the last date fixed for payment of the call;</li> <li>(f) he absents himself from three consecutive meeting of the Board of Directors or from all meetings of the Board for a continuous period of three months, whichever is longer, without obtaining leave of absence from the Board;</li> <li>(g) he or any firm in which he is a partner or any Private Company of which he is a Director, accepts a loan of any guarantee or security for a loan, from the Company;</li> <li>(h) he fails to disclose the nature of his concern or interest in any contract or arrangement, or proposed contract or arrangement entered into by or on be half of the Company as required under Section 299 of the Act;</li> <li>(i) he become disqualified by an order of the Court under Section 203 of the Act;</li> <li>(j) he is concerned or participates in the profits of any contract with the Company;</li> <li>(k) he is removed in pursuance of Section 284 of the Act; provided, however no Director shall vacate his office by reason of his becoming a member of any Company which has entered into contract with or done any work for the Company of which he is a Director, shall not vote in respect of any such contractor or work and if he does so vote his vote shall not be counted;</li> </ul> <p>Disqualification referred to in sub-clause (c) , (d) and (i) above, shall not take effect:-</p> <ul style="list-style-type: none"> <li>(a) for thirty day from the date of adjudication sentence or order;</li> <li>(b) where any appeal or petition is preferred within thirty days aforesaid against the adjudication, sentence or conviction resulting in the sentence, or order until the expiry of seven days from the date on which such appeal or petition is disposed of ; or</li> <li>(c) where within seven days aforesaid any further appeal or petition is preferred in respect of adjudication, sentence, conviction, or order, and the appeal or petition if allowed, would result in the removal of the disqualification, until such further appeal or petition is disposed of.</li> </ul> | <p><b>Vacation of the office of the Director</b></p>           |
| <p>81.</p> | <p>Subject to the provisions of Section 313 of the Act, or any statutory modifications thereof the Board of Directors shall have power to appoint a person as alternate Director during the absence of a Director for a period of not less than three months from the State in which meetings of the Board or ordinarily held.</p>  | <p><b>Alternate Directors to be appointed by the Board</b></p> |



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| 82. | A meeting of the Board of Directors shall be held for the dispatch of the business of the Company at least once in every three calendar months as per Section 285 of the Act. Notice of every meeting of the Board of Directors of the Company shall be given in writing to every Director for the time being in India, and at his usual address in India.   | <b>Meeting of the Board and their notice</b>                    |
| 83. | The quorum for a meeting of the Board of Directors of the Company shall be one third of its total strength (total strength as determined by the Act and any fraction in that one third being rounded off as one), or two Directors whichever is higher; provided that where at any time the number of interested Directors 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 interested shall be the quorum during such time.  | <b>Quorum for meeting</b>                                       |
| 84. | The meeting of the Board may be held at the Registered office or anywhere else within Madhya Pradesh in the interest of the Company.   | <b>Place of meeting</b>   |
| 85. | A Director may at any time convene a meeting of the Directors, questions arising at any meeting shall be decided by majority of votes. The Chairman shall have a second or casting vote.   | <b>Director may summon meeting, how questions to be decided</b> |
| 86. | 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 discretion by or under the Articles of the Company for the time being vested in or exercisable by the Directors generally.  | <b>Power of quorum</b>  |
| 87. | The Governor may nominate a Director as Chairman of the Directors meeting and determine the period for which he is to hold office, if so such Chairman is nominated, or if at any meeting the Chairman is not present within fifteen minutes after the time for holding the same, the Directors present may choose one of their member to be Chairman of the meeting.  | <b>Chairman of Directors Meetings</b>                           |
| 88. | The Chairman shall reserve for the decision of the Madhya Pradesh Government any proposals or decisions of the Board of Directors or any matter brought before the Board which raises in the opinion of the Chairman an important issue and which is on that account fit to be reserved for the decision of the Madhya Pradesh Government and no decision on such an important issue shall be taken in the absence of the Chairman appointed by the Governor in respect of matters reserved by the Chairman for decision of the Madhya Pradesh Government, if the Madhya Pradesh Government's view be not received within a period of two months, the director shall be entitled to act in accordance with the proposal or decision without further reference to the Madhya Pradesh Government | <b>Power of Chairman</b>  |
| 89. | The Directors may delegate any or their powers to committee consisting of such number of members of their body as they think fit and may, from time to time revoke such delegation. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may, from time to time, be imposed upon it by the Directors.  | <b>Delegation of power committee</b>                            |

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| 90. | A Committee may elect a chairman of their meetings; if no such Chairman is elected or if at any meeting the Chairman is not present within fifteen minutes after the time appointed for holding the same, the members present any choose one of their number to be Chairman of the meeting.  | <b>Chairman of meeting of Committees</b>  |
| 91. | All acts done by any meeting of the Directors, or of a Committee of Directors, or by any person acting as a Director, shall notwithstanding that it be afterwards discovered that there was some defect in the appointment of Such directors or persons acting as aforesaid or that they or any of them were disqualified, be as well valid as if every such person had been duly appointed and was qualified to be Director, provided that nothing in this section shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.   | <b>When Acts or Directors or Committee valid notwithstanding defective appointment etc.</b> |
| 92. | A resolution in writing signed by all the Directors shall be as valid and effectual as if it had been passed at a meeting of the Directors duly called as constituted.   | <b>Resolution without Board Meeting valid</b>   |
| 93. | Subject to the such directions as may, from time to time be issued by the Governor in this behalf, the Directors may before recommending any dividend set aside out of the profits of the Company such sums as they think proper as a reserve fund, to meet contingencies or for equalizing dividends or for repairing, improving and maintaining any of the property of the Company, and for such other purposes as the Directors shall in their absolute direction think conducive to the interests of the Company, and may invest the several sums so set aside upon such investments (other than shares of the Company) as they may think fit from time to time deal with and very such investments and dispose of all or any part there of for the benefit of the Company and may, divide the reserve funds into such special funds as they think fit and employ the reserve funds or any part there of in the business of the Company, and that without being bound to keep the same separate from the other assets. | <b>Reserve Fund</b>   |
| 94. | The profits of the Company available of payment of dividend subject to any special rights relating thereto created or authorized to be created by these presents and subject to the provision of these presents as to the reserve funds shall with the approval of the Governor, be divisible among the members in proportion to the amount of capital held by them respectively, provide always that (subject as aforesaid) any capital paid up on a share during the period in respect of which a dividend is declared shall only entitle the holder of such share to an apportioned amount of such dividend as fro the date of payment.   | <b>Dividends</b>  |
| 95. | Where capital is paid-up on any shares in advance of calls upon the footing that the same shall carry interest such capital shall not, whilst carrying interest, confer a right to participate in profits.   | <b>Capital paid-up in advance`</b>  |
| 96. | The Company in general meeting may declared a dividend to be paid to the members according to their rights and interest in the profits and they fix the time for payment but no dividend shall exceed the amount recommended by the Directors.   | <b>Declaration of dividends</b>   |
| 97. | No dividend shall be payable otherwise than not out of the profits of that year or other period or any other undistributed profits of the Company and no dividend shall carry interest as against the Company.   | <b>Dividends out of profits only and not carry interest</b>                                 |

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| 98.  | The Declaration of the Directors as to the amount of the net profits of the Company shall be conclusive.  | <b>When to be deemed not profits</b>           |
| 99.  | The Directors may, from time to time, pay to the members such interim dividends as in their judgment the position of the company justifies.   | <b>Interim dividend</b>                        |
| 100. | The Directors may retain any dividend on which the Company has lien, and may apply the same in or towards satisfaction of debts, liabilities, or engagements in respect of which the line exists.   | <b>Debts may be deducted</b>                   |
| 101. | Any general meeting declaring dividend may make a call on the members of such amount as the meeting fix, but the call on each member shall not exceed the dividends payable to him, and the call 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.  | <b>Dividend and call together</b>              |
| 102. | No dividend shall be payable except in cash.  | <b>Dividends of bonus payable only in cash</b> |
| 103. | A transfer of share shall not pass in the right to any dividend declared, thereon after such transfer and before the registration of the transfer.  | <b>Effect on transfer</b>                      |
| 104. | Subject to the Section 207 of the Act, the directors may retain the dividends payable upon share in respect of which any person is under the transmission clause (Article 28) entitled to become a member, of which any person under that clause is entitled to transfer until such person shall become a member in respect of such shares or shall duly transfer the same.   | <b>Retention in certain cases</b>              |
| 105. | Any of the several persons who are registered as the joint holders of any share, may give effectual receipts for all dividends and payment on account of dividends in respect of such shares.   | <b>Dividend to joint holders</b>               |
| 106. | Unless otherwise directed and dividend may be paid by the cheque or warrant send through the post to the registered address of the member or person entitled or in the case of joint holders, to the registered addresses of that one who name stands first on the register in respect of the joint holding, and every cheque or warrant so send shall be made payable to the order of the person to whom it is sent. | <b>Payment by post</b>                         |
| 107. | Notice of the declaration of any dividend whether interim or otherwise, shall be given to the holders of registered shares in the manner hereinafter provided.  | <b>Notice dividends</b>                        |
| 108. | All the dividends unclaimed for one year after having been declared may be invested or otherwise made use of by the Directors for the benefit of the Company, until claimed and all dividends unclaimed for three years after having been declared may be forfeited by the Director for the benefit, of the Company and if the Directors think fit, they may be applied in augmentation of the reserve fund           | <b>Unclaimed dividends</b>                     |



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|         | in fairness be distributed over several years has been incurred in any one year the whole amount of such item shall be stated, with the addition of the reasons why only a portion of such expenditure is charged against the income of the year.  |  |
| 115.    | The company shall send a copy of such balance sheet, profit and loss account together with a copy of the auditor's report to the registered address of every member of the Company in the manner in which notice are to be given here- in-under at least four days before the meeting at which is to be laid before the members of the Company and shall deposit a copy at the Registered Office of the Company for inspection by the members of the Company during a period of at least four days before the meeting.   | <b>Balance sheet &amp; Profit and loss account to be send to Members</b>   |
| 116.    | The Directors shall in all respect comply with the provisions of Sections 209 to 222 of the Act, or any statutory modifications thereof the time being in force.   | <b>Directors to comply with Sections 209 to 222 of the Act.</b>  |
| 117.    | Once at least in every financial year the accounts of the company shall be examined by one or more auditors as approved in the Act.  | <b>Accounts be entitled annually</b>   |
| 118.(a) | The Auditor/Auditors of the Company shall be appointed or reappointed as provided in Section 619 of the Act, and his/their remuneration, right and duties shall be regulated by the provisions of the Sections 224 to 233 read with Section 619 of the Act.  | <b>Appointment of auditor and remuneration</b>   |
| (b)     | The auditor of the company shall be entitled to receive notice of and to attend any general meeting of the Company at which any accounts which have been examined or reported on by him are to be laid before the Company and may make any statement or explanation he desire with respect to the accounts.  | <b>Auditor's right to attend the meetings</b>  |
| 119.    | The Comptroller and Auditor General of India, shall have powers.<br>(a) To direct the manner in which the Company's accounts shall be audited by the auditor appointed in pursuance of Articles 118 hereof and to give such auditor instruction in regard to any matter relating to the performance of his functions, as such.<br>(b) To conduct a supplementary or test audit of the Company's account by such person or persons as he may authorize in his behalf and or the purpose of such audit, to have access, at all reasonable time to all Account, Account Books, Vouchers Documents and other papers of the Company and require information or additional information to be furnished to any person so authorized, on such matters by such person or persons and in such form as the comptroller and Auditor General of India may by general or special order direct. | <b>Powers of comptroller and Auditor General of India</b>  |
| 120.    | The auditor aforesaid shall submit a copy of his audit report to the Comptroller and Auditor General of India who shall have the right to comment upon or supplement the audit report in such manner as he may think fit. Any such comment upon or supplements to be audit report shall be placed before the annual General Meeting of the Company at the same time and the same manner as the audit report.   | <b>Comment upon or supplement to audit report Comptroller and Auditor General to placed before ordinary meetings</b> |

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| 121. | Every account of the Company when audited and approved by general meeting, shall be conclusive except as regards any error discovered therein within three months next after the approval thereof. Whenever any such error is discovered within the period, the account shall forthwith be corrected and thenceforth shall be conclusive.  | <b>When accounts be deemed finally settled</b>   |
| 122. | Notwithstanding anything contained in any of these Articles the Governor, may from time to time, issue such directions or instructions as he may consider necessary in regard to the affairs of the conduct of the business of the Company of the Directors thereof, and in like manner may vary and amend such directions, or instructions. The Directors shall duly comply with and give immediate effect to directions and instructions so issued.  | <b>Right of the Governor</b>   |
| 123. | A notice may be given by the Company to any member either personally or by sending it by post to him to his registered address, or (if he has no registered address), to the address if any, supplied by him to the Company for the giving of notice to him.   | <b>How notice to be served on members</b>  |
| 124. | A holder of registered share who has no registered place of address, may from time to time, notify in writing to the Company an address which shall be deemed his registered place of address, within the meaning of the last preceding Article.   | <b>Notification of address by holder of registered share having no registered place of address</b> |
| 125. | If a member has no registered address and has not supplied to the Company an address for the giving of notice to him, a notice addressed to him and advertised in newspaper circulating in the neighborhood of the Registered Office of the Company shall be deemed to be duly given to him on the day on which the advertisement appears.   | <b>When notice may be given by advertisement</b>   |
| 126. | A notice may be given by the Company to the joint holders of a share by giving the notice on the joint holder named first in register in respect of the share.   | <b>Notice joint holders</b>  |
| 127. | A notice may be given by the Company to the person 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 representative of the deceased, or assignee of the insolvent or by like description, at the address, (if any) supplied for the purpose by the person claiming to be entitled or (until such an address has been so supplied) by giving notice in any manner in which the same might have been given if the death or insolvency had not occurred. | <b>How notice to be given to representative of a deceased of bankrupt members</b>                  |
| 128. | Notice of every general meeting shall be given in the same manner hereinbefore authorized to (a) every member of the Company except those member who having no registered address have not supplied to the Company an address for the giving of notice to them and also to-<br>(b) every person entitled to a share in consequence of the death or insolvency of a member who, but for his death or insolvency would be entitled to receive notice of the meeting, provided the Company has due notice.  | <b>To whom notice of general meetings be given</b>   |
| 129. | Every person who by operation of law, transfer or other means whatsoever, shall become entitled to any share shall be bound by every notice in respect of such share which previously to his name and address and title to the share being notified to the Company shall be duly given to the person from whom he derives his title to such share.   | <b>Transferees, etc. bound by prior notice</b>   |

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| 130. | The signature to any notice to given by the Company may be written or printed.   | <b>How notice to be signed</b>                |
| 131. | Where a given number of dayø notice extending over any other period is required to be given, the day of service shall, unless it is otherwise provided, be counted in such number of days or other period.   | <b>How time to be counted</b>                 |
| 132. | If the company shall be wound up and the assets available for distributions among the members as such shall be insufficient to repay the whole of the paid-up capital such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the members proportion to the capital paid-up or which ought to have been paid-up, at the commencement of the winding up on the shares held by them respectively, and if in a winding up, the assets available for distribution among the member shall be more than sufficient to repay the whole of the capital paid-up, the excess shall distributed amongst the members in proportion to the capital paid-up or which ought to have been paid-up on the shares held by them respectively. But this clause is without prejudice to the rights of the holders of shares issued upon special terms and conditions.   | <b>Distributor of assets on winding up.</b>   |
| 133. | No number shall be entitled to require discovery of or any information respecting any details pf the Companyø trading or any matter which 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.   | <b>Secrecy Clause</b>                         |
| 134. | Subject to the provision of Section 201 of the Act, every Director, Manager, Auditor, Secretary and other officer or servant of the Company shall be indemnified by the Company against and it shall be the duty of the Directors out of the funds of the Company to pay all costs, losses and expenses which may such officer or servant may properly incur or become liable to by reason of any contract entered into or act of thing done by him as such officer or servant, or in any way in the discharge of his duties; and the amount for which such indemnity is provided shall immediately attach as lien on the property of the Company, and have priority as between the members over all other claims.   | <b>Indemnity</b>                              |
| 135. | No Director or other officer of the Company shall be liable for the acts, receipts, neglects of defaults of any other Director or Officer of the Company or for joining in any receipt or other act or conformity or for any loss or expenses happening to the company or through the insufficiency or deficiency of title to any property acquired by the order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortuous act, of any person with whom any moneys, securities or effects shall be deposited or for any loss occasioned by any error of judgment of oversight on his part, or for any other loss, damage or misfortune, whatever which shall happen in execution of the duties of his office or in relation thereto, unless the same happens through his own negligence default, misfeasance, breach of duty or breach of trust. | <b>Individual responsibility of directors</b> |

| <b>S.No.</b> | <b>Name of the subscriber</b>   | <b>Address description &amp; occupation, if any of subscriber</b>   | <b>No. of shares taken by each subscriber</b> | <b>Signature of subscriber</b> | <b>Signature of witnesses &amp; their addresses description &amp; occupation if any</b>               |
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| (1)          | (2)   | (3)   | (4)   | (5)                            | (6)   |
| 1.           | Governor of Madhya Pradesh signed by<br>(K. L. Pasricha) Secretary to Government, Madhya Pradesh, Natural Resources Department, For and on behalf of the Governor of Madhya Pradesh | Madhya Pradesh Secretariat Bhopal                                   | One (1)                                       | Sd/-<br>K.L. Pasricha          | Sd/-<br>S.N. Sihno,<br>Under Secretary to Govt. of Madhya Pradesh Natural Resources Department Bhopal |
| 2.           | Shri S.N. Mehta   | Chairman,<br>Madhya Pradesh Electricity Board ,<br>Rampur, Jabalpur | One (1)                                       | Sd/-<br>S.N. Mehta             | Sd/-<br>G.R. Rao,<br>Officer-in-Charge,<br>Directorate of Geology & Mining, Jablpur                   |
| 3            | Shri Harishchandra  | Director of<br>Geology &<br>Mining, Madhya Pradesh, Bhopal          | One (1)                                       | Sd/-<br>Harishchandra          | Sd/-<br>G.R. Rao,<br>Officer-in-Charge,<br>Directorate of Geology & Mining, Jablpur                   |

**Dated this 19<sup>th</sup> day of January 1962**