

DELHI FINANCIAL CORPORATION

(A Govt. of Delhi Undertaking)

(Established under the Scheme of Reorganisation for the Punjab Financial Corporation under the Punjab Re-Organisation Act, 1966 read with the state Financial Corporation Act, 1951)

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Regulations

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FINANCE DEPARTMENT

NOTIFICATIONS

Delhi, the 18th June, 2007

No. F. 40(6)(4)/Fin.-A/cn/2005-06/1213-1216.—The following regulations made by the Delhi Financial Corporation under Section 48 of the State Financial Corporations Act, 1951 (63 of 1951) vide their Resolution No. 05 dated 21-03-2006 and in supersession of the Delhi Financial Corporation General Regulations, as in force till date, except as respect things done or omitted to be done before such supersession, and after consultation with the Small Industries Development Bank of India and with the previous sanction of the State Government as defined under clause (fc) of Section 2 of the said Act, are hereby published below for general information:

"THE DELHI FINANCIAL CORPORATION (GENERAL) REGULATIONS, 2006

CHAPTER - I

Preliminary

1. Short title and commencement.—(1) These Regulations may be called the Delhi Financial Corporation (General) Regulations, 2006.

(2) They shall come into force on the date of their publication in the Delhi Gazette.

2. Definitions.—In these Regulations, unless there is anything repugnant to the subject or context.

- (a) "Act" means the State Financial Corporations Act, 1951 (63 of 1951);
- (b) "beneficial owner" means the beneficial owner as defined under clause (a) of sub-section (1) of Section 2 of the Depositories Act, 1996 (22 of 1996);
- (c) "Corporation" means the Delhi Financial Corporation;
- (d) "depository" means a depository as defined under clause (e) of sub-section (1) of Section 2 of the Depositories Act, 1996 (22 of 1996);
- (e) "Form" means a form appended to these regulations;
- (f) "in writing" or "written" includes printing, lithography and other modes of representing or reducing words in a visible form;
- (g) "member" means a member of the Executive Committee constituted under sub-section (1) of Section 18 or, as the case may be, any other committee constituted under Section 21.
- (h) "Register" means the register of shareholders kept in one or more books of the Corporation and includes the register of shareholders kept in computer floppies, diskettes, compact disk or any other electronic form under Section 6 of the Act; as also the register of beneficial owner maintained by depository under Section 11 of the Depositories Act, 1996 (22 of 1996);
- (i) "section" means a section of the Act;
- (j) "security" means a security as defined under clause (h) of Section 2 of the Securities Contracts (Regulation) Act, 1956 (42 of 1956);
- (k) "shares" means in the share capital of company, and includes stock except where a distinction between stock and shares is expressed or implied;
- (l) words and expressions used and not defined in these regulations, but defined in the Act, shall have the same meanings respectively assigned to them in the Act.

CHAPTER - II

SHARES OF THE CORPORATION

3. Shares-moveable property.—The shares of the Corporation shall be moveable property which shall be in the form of equity or preference shares.

4. Control over shares.—Subject to the provisions of the Act and these regulations, the Board shall decide any question relating to any matters pertaining to the shares other than those covered by specific regulations hereafter:

Provided that nothing contained in this regulation shall apply to the shares held with a depository. The register of beneficial owners maintained by a depository under Section 11 of the Depositories Act, 1996 (22 of 1996), shall be deemed to be the register of shareholders for the purpose of this regulation.

5. Allotment of shares.—(1) Subject to the provisions of Section 4 of the Act, the Board shall allot shares on the basis of application made for the purpose.

(2) An application for allotment of shares may not be entertained unless an amount of, at least, twenty-five per cent of the full value has been paid with the application.

(3) The Board may make allotment to an applicant for shares either in full or in part, depending on the number of applicants from the class of shareholders to which he belongs. In so far as it is practicable, the Board shall make full allotment in respect of applications upto such number of shares as the Board may decide so that there may be as many shareholders of that class as possible; and the allotment in respect of remaining applications shall be made in part; provided, however, that no allotment shall be made for a number of shares which is less than ten, five, or which is not a multiple of ten; and provided further that the number of shares that may be allotted to an applicant, shall, in no case, exceed such number of shares as may be allocated to the class of shareholders to which he belongs.

(4) The decision of the Board as to whether on a particular application for shares, there shall be full, partial or no allotment shall be final. The Board may refuse to allot any share in the name of any person on an application, if the said allotment is in contravention of the provisions of the Act or these regulations or any other law, or is prejudicial to the interest of the Corporation or the public interest or is prohibited by an order of the court, tribunal or any other authority under any law for the time being in force.

(5) If a person to whom shares have been allotted fails to pay the balance of the full value of shares due on the shares allotted to him by the date mentioned in the letter of allotment for the payment of the same, the amount paid with the application may be forfeited and the allotment treated as cancelled, and the Board may proceed to dispose of the said shares as if no allotment had been made in respect thereof.

(6) For the purpose of making the allotment, there shall be a committee of the Board consisting of the Managing Director and two other directors who shall be appointed in this behalf by the Managing Director. The committee so constituted shall advise the Board in making allotments of the shares.

(7) The reissue of surrendered shares shall be made in such manner as may be decided by the Board.

6. Issue and allotment of further capital.—(1) Issue and allotment of further capital shall be made in such manner as may be decided by the Board.

(2) Such further shares shall be offered to the persons who, at the date of the offer, are holders of the equity shares of the Corporation, in proportion as nearly as circumstances admit to the capital paid-up on those shares at that date.

(3) The offer aforesaid shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days from the date of the offer, within which the offer, if not accepted, will be deemed to have been declined.

(4) Unless the regulations otherwise provide, the offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or anyone of them in favour of any other person, and the notice referred to in sub-regulation (3) shall contain a statement of this right.

(5) After the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner as the Board thinks most beneficial to the Corporation.

Explanation.—Notwithstanding anything contained in sub-regulation (2), the further share aforesaid may be offered to any person [whether or not those persons include the person referred to in sub-regulation (2)] in any manner whatsoever, if special resolution to that effect is passed by the Corporation in general meeting or where no such special resolution is passed, the Board, in this behalf that the proposal is most beneficial to the Corporation, shall take a decision.

7. Parties who may not be registered as shareholders.—Except as otherwise provided by these regulations, no minor or person who has been found by the court of competent jurisdiction to be of unsound mind shall be entitled to be registered as a shareholder.

8. Joint holding of shares.—Except in the case of individuals, the Corporation shall not recognize the joint holding of shares. In case of firms, shares shall be registered not in the name of firms, but only in the names of the individual partners of the firms.

9. Share register.—(1) The Corporation shall maintain, at its head office, a register of shareholders entitled to be registered therein by the Act or these regulation either in manual or in accordance with and subject to the provisions of the Information Technology Act, 2000 (21 of 2000) and the rules made thereunder, in the Form 'A'.

(2) The register of beneficial owners maintained by a depository under Section 11 of the Depositories Act, 1996 (22 of 1996), shall be deemed to be a register of shareholders under this regulation.

10. Control over shares and registers.—(1) Subject to the provisions of the Act and these regulation, and such directions as the Board may give from time to time, the register kept at the head office shall be maintained by and be under the control of the Board and the decision of the Board as to whether or not a person is entitled to be registered as a shareholder in respect of any share shall be final.

Provided that nothing contained in this regulation shall apply to shares held with the depositories under the Depositories Act, 1996 (22 of 1996).

(2) A separate ledger shall be maintained in the share register for each class of shareholders referred to in Section 4 and Section 4A.

(3) In the case of joint holders of any shares, the particulars required by sub-regulation (1) of regulation 9 shall be entered under the name of anyone of such joint holders specified by them and the names of other holders shall be entered after the name of such specified joint holder.

(4) A shareholder resident outside India shall furnish to the Corporation an address in India and such address when entered in the register shall be deemed to be his registered address for the purposes of the Act and this regulation.

11. Trust not to be recognized.—The Corporation shall deal with the shareholders irrespective of whether they are full owners of their shares or trustees for some other person or persons. No notice of any trust expressed, implied or constructive shall be entered on the register, nor shall the Corporation recognize any trust.

12. Exercise of right of joint holders.—If any share stands jointly in the names of two or more persons, the person first named in the register shall, as regards voting, receipt of dividends, service of notice with the Corporation, except the transfer of the share, be deemed to be the sole holder thereof.

13. Inspection of share register.—(1) The share register maintained under regulation 9, except when closed under regulation 14, shall be open to the inspection of any shareholder free of charge, at the head office of the Corporation during business hours subject to such reasonable restrictions and such advance notice as the Managing Director may impose, but not less than two hours in each working day may be allowed for inspection.

(2) A shareholder shall not have the right himself to make a copy of any entry in any such register but may, except when the register is closed, require a copy of any such register or of any part thereof on prepayment thereof at such rate, as may be determined by the Managing Director for every hundred words or fractional part thereof required to be copied.

14. Closing of share register.—The Board may, after giving not less than seven days' previous notice by advertisement, in the newspaper circulating in the place where the head office of the Corporation is situated, close the share register for such periods (not exceeding forty-five days in all during any one financial year) as shall, in its opinion, be necessary but not exceeding thirty days at one time.

15. Share Certificates.—(1) Every share certificate shall be issued in Form 'B' or as modified by the Board from time to time.

(2) Every share certificate shall be signed on behalf of the Corporation by two persons duly authorized in this behalf by the Board and such signature may be printed, engraved, lithographed or impressed by such other process as the Board may direct.

(3) A signature so printed, engraved, lithographed or otherwise impressed shall be as valid as a signature in the proper handwriting of the signatory himself.

Provided that nothing contained in this regulation shall apply to the shares held with a depository.

(4) Every share certificate shall be issued under the common seal of the Corporation.

16. Issue and Renewal of share certificate.—(1) Issue and renewal of share certificate shall be governed by the provisions following hereafter.

(2) If any share certificate is worn out or defaced or tendered for sub-division, then upon production thereof to the head office of the Corporation, the Board may order the same to be cancelled and have a new certificate or certificates issued in lieu thereof.

(3) If any share certificate is alleged to be lost or destroyed, then after publication of such loss, at least once in any widely circulated newspaper in the National Capital Territory of Delhi, as may be short listed by the Managing Director from time to time and/or upon production of such evidence of the loss or destruction thereof, as the Board may consider satisfactory and upon such indemnity with or without security as the Board may require, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate and the person availing himself of the provisions of this clause shall also pay to the Corporation in advance all the expenses incidental to the advertisement and investigation of evidence of loss or destruction and the preparation of the requisite form of indemnity as aforesaid. The decision of the Managing Director as to the quantum of these expenses shall be final.

Provided that nothing contained in this regulation shall apply to shares held with a depository.

(4) For every certificate issued under this regulation, there shall be paid to the Corporation such sum as may be determined by the Managing Director from time to time.

17. Transfer of shares.—(1) Subject to the restrictions contained in the Act and in these regulations, shares except redeemable preference shares shall be transferable, but every transfer shall be in writing and in the form prescribed under the Companies Act, 1956 (1 of 1956).

(2) Upon receipt by the Board of an instrument of transfer with a request to register the transfer, the Board shall, unless it refuses to register the transfer under sub-section (3) of section 5, cause the transfer to be registered on prepayment thereof at such rate as may be determined by the Board:

Provided that nothing contained in this regulation shall apply to the shares held with a depository.

18. Power to suspend transfer.—The Board may suspend the registration of transfer during any period in which the register is closed.

19. Transmission of shares/debenture/securities in the event of death, insolvency, etc. of a shares/debentures/security holder.—(1) The executors or administrators of a deceased sole holder of the shares/debentures/security or the holder of a succession certificate issued under Part X of the Indian Succession Act, 1925 (39 of 1925), in respect of such shares/debentures/securities or a person in whose favour a valid instrument of transfer of such shares/debentures/securities was executed by such person or by the deceased sole holder during the latter's lifetime, shall be the only person who may be recognized by the Corporation as having any title to such shares/debentures/securities.

(2) In the case of the shares/debentures/securities registered in the names of two or more shareholders/debentures/securities holders, the survivor or survivors and on the death of the last survivor, his executors or administrators or any person who is the holder of a succession certificate in respect of such survivor's interest in the shares/debentures or a person in whose favour a valid instrument of transfer of the shares/debentures was executed by such person or such last survivor during the latter's life-time, shall be the only person who may be recognised by the Corporation as having any title to such shares/debentures/securities.

(3) The Corporation shall not be bound to recognise such executors or administrators unless they shall have obtained probate or letters of administration or other legal representation, as the case may be, from a court of competent jurisdiction:

Provided, however, that in case where the Board in its discretion thinks fit, it shall be lawful for the Board to dispense with the production of a succession certificate, letters of administration or such other legal representation upon such terms as to indemnity or otherwise as it may think fit.

(4) Any such person, becoming entitled to any shares/debentures/securities in consequence of death of a shareholder/debentures/securities holder and any person becoming entitled to shares/debentures/securities in consequence of the insolvency, bankruptcy or liquidation of a shareholder/debenture/securities holder shall upon production of such evidence, as the Board may require, have the right—

- (a) to be registered as a share/debenture/securities holder in respect of such shares/debentures/securities upon his satisfying the Board in the same manner as if he were the proposed transferee under sub-regulation (2) of this regulation that he is qualified to be share/debenture/security holder; or
- (b) to make such transfer of such shares/debenture/security as the person from whom he derives title could have made.

20. Calls on shares.—The Board may, from time to time, make such calls as it thinks fit upon the shareholders in respect of all moneys remaining unpaid on the shares held by them, and not by the conditions of allotment thereof made payable at fixed times, and each shareholder shall pay the amount of every call so made on him to the person and at the time and place appointed by the Board. A call may be made payable by instalments.

21. Calls to date from resolution.—A call shall be deemed to have been made at the time when the resolution of the Board authorizing such call was passed and may be made payable by the shareholders on the register on such date or at the discretion of the Board on such subsequent date as may be fixed by the Board.

22. Notice of calls.—A notice of not less than thirty days of every call shall be given specifying the time of payment provided that before the time for payment of such call the Board may by notice in writing to the shareholders, revoke the same.

23. Extension of time for payment of call.—The Board may, from time to time and at its discretion, extend the time fixed for the payment of any call as to all or any of the shareholders having regard to circumstances or some other sufficient cause, but no shareholder shall be entitled to such extension as a matter of right.

24. Liabilities of joint holders.—The joint holders of a shares shall be jointly and severally liable to pay all calls in respect thereof.

25. Amount payable at fixed time or by instalments as calls.—If by the terms of issue of any share or otherwise any amount is payable at any fixed time or by instalments at fixed time, every such amount or instalment shall be payable as if it were a call duly made by the Board and of which due notice had been given and all the provisions herein contained in respect of calls shall relate to such amount or instalment accordingly.

26. When interest on call or instalment payable.—If the sum payable in respect of any call or instalment is not paid on or before the day appointed for payment thereof, the holder for the time being or the allottee of the share in respect

of which a call shall have been made, or the instalment shall be due, shall pay interest on such sum at such rate as the Board may fix, from time to time, from the day appointed for the payment thereof to the time of actual payment, but the Board may waive payment of such interest wholly or in part.

27. Non-payment of calls by shareholder.—No shareholder shall be entitled to receive any dividend or to exercise any privilege as a shareholder including voting rights until he shall have paid all calls for the time being due and payable on every share held by him, whether singly or jointly with any person, together with interest and expenses, if any.

28. Notice to be given if Call or Instalment not paid.—If any shareholder fails to pay the whole or any part of a call or instalment or any money due in respect of any share either by way of principal or interest on or before the day appointed for payment of the same, the Board may at any time thereafter during such time as the call or instalment or any part thereof or other moneys remain unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such shareholder or on the person, if any, entitled to the share by transmission, requiring him to pay such call or instalment or such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all expenses (legal or otherwise) that may have been paid or incurred by the Corporation by reason of such non-payment.

29. Form of notices.—The notice shall name a day not being less than fourteen days from the date of the notice and the place or places on and at which such call or instalment or such part or other moneys and such interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment on or before the time and at the place appointed, the share in respect of which the call was made or instalment is payable will be liable to be forfeited.

30. In default of payment shares to be forfeited.—If the requirements of any such notice as aforesaid are not complied with, any of the shares in respect of which such notice has been given may at any time thereafter, interest and expenses or the money due in respect thereof, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.

31. Entry of forfeiture in the registration.—When any share has been forfeited under regulation 30, an entry of the forfeiture with the date thereof shall be made in the register.

32. Forfeited shares to be property of the Corporation and may be sold.—Any share so forfeited shall be deemed to be the property of the Corporation and may be sold, re-allotted or otherwise disposed of, either to the original holder thereof or to any other person upon such terms and in such manner as the Board may decide.

33. Power to annul forfeiture.—The Board may, at any time, before any share so forfeited under regulation 30 which may have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it may think fit.

34. Shareholder liable to pay money owing at the time of forfeiture and interest.—Any shareholder whose shares have been forfeited shall, notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Corporation all calls, instalments, interest, expenses and other moneys owing upon or in respect of such shares at the time of the forfeiture with interest thereon from the time of forfeiture until payment at such rate as may be specified by the Board and the Board may enforce the payment of the whole or a portion thereof.

35. Partial payment not to preclude forfeiture.—Neither a judgment nor a decree in favour of the Corporation for calls or other moneys due in respect of any shares nor any payment or satisfaction thereunder nor the receipt by the Corporation of a portion of any money, which shall be due from any shareholder from time to time in respect of any shares either by way of principal or interest nor any indulgence granted by the Corporation in respect of payment of any money shall preclude the forfeiture of such shares under these regulations.

36. Application of forfeiture provisions.—The provisions of these regulations as to the forfeiture shall apply in the case of non-payment of any sum which by terms of issue of a share become payable at a fixed time, as if the same had been payable by virtue of a call duly made.

37. Corporation's lien on shares.—The Corporation shall have a first lien upon all shares registered in the name of each shareholder and upon the proceeds of the sale thereof for his debts, including all moneys called or payable in respect of partly paid shares, liabilities and engagements solely or jointly with any other person to or with the Corporation whether the period for the payment, fulfillment or discharge thereof shall have actually arrived or not, and such lien shall extend to all dividends from time to time declared in respect of such shares. Unless otherwise agreed, the registration of a transfer of shares shall operate as a waiver of the Corporation's lien if any, on such shares.

38. Enforcing lien by sale of shares.—The Board may, for the purpose of enforcing the lien referred to in regulation 37 sell the shares subject thereto in such manner as it thinks fit, but no sale shall be made unless any sum in respect of which the lien exists is presently payable nor until notice in writing of the intention to sell shall have been served on such shareholder or person, if any, entitled for transmission to the shares and default shall have been made by him in payment of the sum presently payable for seven days after such notice.

39. Application of proceeds of sale of shares.—The net proceeds of any sale of shares under regulation 38 after deduction of costs of such sale, shall be applied in or towards the satisfaction of the debt or liability in respect whereof the lien exist so far as the same is presently payable and the residue, if any, paid to the shareholders or the person, if any, entitled by transmission to the shares so sold.

40. Certificate of forfeiture.—A certificate in writing under the hands of any director, or any other officer of the Corporation duly authorized in this behalf, that the call in respect of a share was made and that the forfeiture of the share was made by a resolution of the Board to that effect, shall be conclusive evidence of the fact stated therein as against all persons entitled to such shares.

41. Title of purchaser and allottees of forfeited shares.—The Corporation may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition thereof and the person to whom such share is sold, re-allotted or disposed of may be registered as the holder of the share and shall not be bound to see to the application of the consideration, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the share and the remedy of any person aggrieved by the sale shall be in damages only and against the Corporation exclusively.

42. Shareholder ceasing to be qualified for registration.—(1) It shall be the duty of any person registered as a shareholder, forthwith upon ceasing to be so registered, to give intimation thereof to the Board.

(2) The Board may, at any time, cause such enquiry to be made as it may consider necessary for ascertaining whether any person registered as a shareholder has ceased to be so qualified and upon being satisfied that any such person has ceased to be so qualified, it shall inform him that he is not entitled to be a shareholder of the Corporation. He shall not be further entitled to the payment of any dividend on any such shares nor to exercise any of the rights of a shareholder otherwise than for the purpose of the sale of such shares, and the Corporation shall make an entry in the share register to that effect.

(3) If the Board ascertains that a person who is not qualified to be a shareholder of the Corporation is registered by inadvertence or otherwise, as a shareholder of the Corporation, it shall inform the shareholder that such shareholder is not entitled to the payment of any dividend on any share nor to exercise any of the rights of a shareholder otherwise than for the purpose of the sale of such shares and shall make an entry in the share register to that effect.

(4) A determination of the Board under this regulation as to whether a person is qualified to be shareholder or not shall be conclusive.

43. Service of a notice or document to shareholders.—(1) The Corporation may serve a notice or a document on any shareholder either personally or by post at his registered address or if he has no registered address in India, at the address, if any, within India supplied by him to the Corporation for the giving of notice to him.

(2) Where a document or a notice is sent by post, the service of such document or notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the document or notice :

Provided that where a shareholder has intimated to the Corporation in advance that documents should be sent to him under a certificate of posting or by registered post, or by courier, with or without acknowledgement due, and has deposited with the Corporation a sum sufficient to defray the expenses of doing so, service of the document or notice shall not be deemed to be effected unless it is sent in the manner intimated by the shareholder, and unless the contrary is proved, such service shall be deemed to have been effected in the case of a notice of a meeting at the expiration of forty-eight hours after the letter containing the same is posted, and in any other case, at time at which the letter would have been in the ordinary course of post.

(3) A notice or a document advertised in a newspaper widely circulated within the jurisdiction of the Corporation shall be deemed to be duly served on the day on which the advertisement appears, on every shareholder of the Corporation who has no registered address in India and has not supplied to the Corporation an address within India for giving of notices to him.

(4) A notice or a document may be served by the Corporation on the joint-holders of a share by serving it on the joint holder named first in the register in respect of the share.

(5) A notice or a document may be served by the Corporation on the persons entitled to a share upon death or in consequence of the insolvency of a shareholder by sending it through post in a prepaid letter addressed to them by name, or by the title of representatives of the deceased, or assignees of the insolvent or by any like description, at the address, if any, in India supplied for the purpose by serving the document in any manner in which it might have been served if the death or insolvency had not occurred.

(6) The signature to any notice to be given by the Corporation may be written or printed or be affixed in any other manner.

CHAPTER - III
MEETINGS OF SHAREHOLDERS

44. Chairman of Meeting.—The word 'Chairman' means the Chairman of a meeting under regulation 50.

45. Annual General Meeting.—The annual general meeting of the Corporation shall be held at the place where the head office of the Corporation is situated, or at any other place within the state or Union Territory, as the case may be, where there is an office of the Corporation. Every annual general meeting shall be held within four months from date on which the annual accounts of the Corporation are closed or within such period as may be specified in the Act from time to time. Without prejudice to the aforesaid provision, the date and time of the annual general meeting shall be fixed by the Board and such a meeting shall be convened under the direction of the Board by the Managing Director or by any other officer of the Corporation authorized by the Board in this behalf.

46. General Meeting (other than annual General meeting).—(1) The Board may convene a general meeting on such day and at such time and place as may be decided by the Board. The Board may determine the business to be transacted in such general meetings including appointment of auditors.

(2)(a) The Board shall convene a general meeting if a requisition for such a meeting has been received from the shareholders carrying, in aggregate, not less than ten per cent of the total voting rights of all the shareholders or not less than five shareholders, not being shareholders referred in clauses (a), (b) and (c) of sub-section (3) of section 4, not later than three months from the receipt of the requisition.

(b) The requisition referred to in sub-regulation (2) shall state the purpose for which the general meeting is required to be convened, but may consist of several documents in like form, (similar method) each signed by one or more of the requisitionists.

(c) Where two or more persons hold any shares jointly a requisition or a notice calling a meeting, signed by one or some of them shall for the purposes of this regulation have the same force and effect as if it had been signed by all of them.

(d) The time, date and the place of the general meetings shall be decided by the Board.

(e) If the Board does not convene the meeting as required by clause (a) of this sub-regulation within the period of three months as stipulated, the meeting may be called by the requisitionists themselves within next three months :

Provided that nothing in this sub-regulation shall be deemed to prevent a meeting duly commenced before the expiry of the period of three months aforesaid from adjourning to some day after the expiry of that period.

(f) The meeting called under clause (e) of this sub-regulation by the requisitionists shall be called in the same manner, as nearly as possible, as that in which the other general meetings are called.

(g) Any reasonable expenses incurred by the requisitionists in calling a meeting under clause (e) of this sub-regulation shall be reimbursed to the requisitionists by the Corporation.

47. Notice Convening a General meeting.—(1) A notice convening a general meeting signed by the Managing Director, or the General Manager of the Corporation, shall be sent to every registered shareholder or every shareholder of the class to which the meeting relates at his address, if any, in India and published at least twenty-one clear days before the date of meeting, one in English newspaper and one in Hindi newspaper circulating within the jurisdiction of the Corporation.

(2) Every such notice shall state the time, date and venue of such meeting, and also the business to be transacted at that meeting.

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

48. Business at annual General meetings.—(1) At the annual general meeting, the following business shall be transacted, namely :—

(a) To discuss and if deemed fit, to adopt the annual accounts of the Corporation including the profit and loss account and the balance-sheet for the year ending the 31st March of the financial year to which the meeting relates, together with a report by the Board on the working of the Corporation throughout the year, the auditor's report(s) on the said balance-sheet and accounts and proposals, if any, for declaration of dividend and capitalization of reserves.

(b) To discuss any other matter to be transacted at the annual general meeting in terms of sub-section (3) of section 36.

(2) No business shall be transacted, or any matter discussed, other than that mentioned in the notice for the meeting, except with the consent of the Chairman or unless not less than two weeks notice has been given of the same by the State Government, or the Small Industries Bank or by the other shareholders holding shares carrying in the aggregate

not less than ten per cent of the total voting rights of all the shareholders or a class of the shareholders, as the case may be. Such notice shall take the form of a definite resolution to be put to the meeting.

49. Quorum at General meeting.—(1) No business shall be transacted at any meeting of the shareholders, or a class of shareholders, whether it is the annual general meeting or any other general meeting, unless a quorum of, at least, five shareholders entitled to vote at such meeting in person or by proxy or by duly authorized representative are present at the commencement of such business.

(2) If within fifteen minutes from the time appointed for the meeting a quorum is not present in the case of meeting called by the requisition of shareholders other than the State Government or the Small Industries Bank, the Chairman may dissolve the meeting.

(3) In other case, the meeting shall stand adjourned to the same day in the next week at the same time and place, and if at such adjourned meeting, a quorum is not present, the shareholders who are present in person or by proxy or by duly authorized representative shall form a quorum and may transact the business for which the meeting was called:

Provided that no annual general meeting shall be adjourned to a date later than four months, after the 31st March and if adjournment of the meeting to the same day in the following week would have this effect, the annual general meeting shall not be adjourned but the business of the meeting shall be commenced either as soon as at any time within one hour from the time appointed for the meeting a quorum is present, or that time and those shareholders who are present in person or by proxy or by duly authorized representative at such time shall form the quorum.

50. Chairman of General Meetings.—(1) The Chairman of the Board or in his absence, the Managing Director shall be the Chairman and in the event of the absence of both, the directors may elect any other director present to be the Chairman of the meeting.

(2) The Chairman shall regulate the procedure at all general meetings, and in particular, shall have full power to decide the order in which shareholders may address the meeting, to fix a time limit for speeches, to apply the closure when in his opinion any matter has been sufficiently discussed and to adjourn the meeting.

51. Persons entitled to attend General Meetings.—(1) All shareholders and their authorized representatives, the General Manager of the Corporation and such other officers as the Managing Director may decide shall, subject to the provisions of sub-regulation (2) of this regulation, be entitled to attend a general meeting:

Provided that if a general meeting relates to a class of shareholders, all directors, General Manager and such other officers as the Managing Director may decide shall be entitled to attend that meeting.

(2) A shareholder being one of the parties mentioned in clauses (c) and (d) of sub-section (3) of section 4, attending a general meeting, shall for the purpose of identification and to determine his voting rights, be required to sign and deliver to the Corporation a form containing the particulars relating to

(a) his full name, folio number and registered address;

(b) the distinctive numbers of his shares;

(c) the class of shareholders to which he belongs;

(d) whether he is entitled to vote and the number of votes to which he is entitled in person or by proxy or as a duly authorized representative.

52. Voting at General Meetings.—(1) At any general meeting, a resolution put to the vote of the meeting shall, unless a poll is demanded, be decided on a show of hands.

(2) Save as otherwise provided in the Act, every matter submitted to a general meeting shall be decided by a majority of votes.

(3) Unless a poll is demanded under sub-regulation (1) of this regulation, a declaration by the Chairman of the meeting that a resolution on show of hands has or has not been carried, either unanimously or by a particular majority, and an entry to that effect in the books containing the minutes of the proceedings, shall be a conclusive evidence of the said fact, without proof of the number or proportion of the votes cast in favour of or against such resolution.

(4) Before or on the declaration of the result of the voting on any resolution on a show of hands, a poll may be ordered to be taken by the Chairman of the meeting of his own motion, or shall be ordered to be taken by him on a demand made in that behalf by any shareholder or shareholders present in person or by proxy or by duly authorized representative and holding shares in the Corporation which confer a power to vote on the resolution not being less than one-tenth of the total voting power in respect of the resolution.

(5) The demand for a poll may be withdrawn at any time by the person or persons who made the demand.

(6) A poll demanded on a question of adjournment or election of Chairman of meeting shall be taken forthwith.

(7) A poll demanded on any question other than that under sub-regulation (4) of this regulation shall be taken at such place and time but not later than forty-eight hours from the time when the demand was made, as the Chairman may

direct. The poll may be either by open voting or ballot as the Chairman may direct and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. At such poll a vote shall be given by a shareholder entitled to vote either personally or by proxy or by duly authorized representative and the shareholders shall exercise the voting rights in accordance with the regulations made in that behalf.

(8) The decision of the Chairman as to the qualification of any person to vote, and also in the case of a poll, as to the number of votes any person is competent to exercise, shall be final.

53. Minutes of General Meetings.—(1) The Corporation shall cause the minutes of all proceedings of general meetings to be maintained in the books kept for the purpose which may be in the form of binders containing loose leaves.

(2) Any such minutes, if purporting to be signed by the Chairman of the meeting at which the proceedings took place or by the Chairman of the next succeeding meeting, shall be evidence of such proceedings concluded thereat.

(3) Until the contrary is proved, every general meeting in respect of the proceedings whereof minutes have been so recorded shall be deemed to have been duly called and held, and all proceedings stated to have taken place thereat, to duly taken place.

CHAPTER IV VOTING

54. Definition.—In these regulations "company" means a body corporate either incorporated under the Companies Act, 1956 (1 of 1956) or any other law for the time being in force and unless there is anything repugnant in the subject or context, a co-operative bank, a co-operative society, a society registered under the Societies Registration Act, 1860 (21 of 1860) and other institutions save under clause (b) and (c) of sub-section (3) of Section 4.

55. Shareholders entitled to vote and their voting rights.—(1) Subject to the provisions of section 4F and clause (e) of section 10 and sub-regulation (2) of this regulation, at a general meeting, each shareholder who has been registered as a shareholder shall have, on poll, a voting right in proportion to his or its share of the paid up equity capital of the Corporation.

(2) In the case of election of the Director at general meeting, only the shareholders of the class to represent which the Director is to be elected, shall be entitled to vote.

(3) Every shareholder entitled to vote as aforesaid who being an individual is present in person or by proxy or being a company is present by a duly authorized representative or by proxy shall have voting right in proportion to his or its share of the paid up equity share capital of the Corporation subject to the restrictions as may be prescribed in the Act from time to time.

56. Voting by Government.—(1) The State Government and institutions covered under clause (b) and (c) of sub-section (3) of Section 4 may, by an order in writing, authorize any of its officers, whether a director of the Corporation or not, to act as its representative at any meeting of the Corporation and the officer so authorized shall be entitled to exercise the same powers on behalf of the State Government institution as if he were an individual shareholder of the Corporation. The officer so authorized shall not be deemed to be a proxy.

(2) A copy of any order made under sub-regulation (1) of this regulation shall be deposited at the head office of the Corporation before the time fixed for the meeting.

(3) An order made under sub-regulation (1) of this regulation may, subsequently, be revoked by the State Government and institutions covered under clauses (b) and (c) of sub-section (3) of section 4 by depositing a notice of revocation at the head office of the Corporation before the time fixed for the meeting, and the due revocation of an order shall, in no way, prohibit the issue of another order by the State Government and institutions covered under clauses (b) and (c) of sub-section (3) of section 4 and the deposit of a copy thereof at the head office of the Corporation within the time limited by sub-regulation (2) of regulation 57.

57. Voting by duly authorized representative.—(1) A shareholder, being a company, may, by a resolution of its Board of directors or other governing body, authorize any of its officials or any other person to act as its representative at any meeting of the Corporation and the person so authorized shall be entitled to exercise the same powers on behalf of the company which he represents, as if he were an individual shareholder of the Corporation. The authorization so given may be in favour of two or more persons as alternate representatives and in that case anyone of such persons may act as the duly authorized representative of the company. A person acting in pursuance of an authorization given under this clause shall not be deemed to be a proxy.

(2) No person may attend or vote at any meeting of the Corporation as a duly authorized representative of a company unless a copy of the resolution appointing him as a duly authorized representative certified to be a true copy by the Chairman of the meeting at which it was passed or by an authorized official/director of the company shall have been deposited at the head office of the Corporation not less than forty eight hours before the time fixed for the meeting. An appointment of a duly authorized representative shall, after the deposit of a certified copy of the resolution as aforesaid, be irrevocable for the meeting for which it is made and shall revoke any proxy previously deposited for such meeting by the company.

(3) No person may be appointed as a duly authorized representative or a proxy who is an officer or an employee of the Corporation.

(4) Nothing contained in this regulation shall apply to the State Government and the State Government may appoint such persons as it thinks fit to act as its representative at any general meeting of the Corporation. A person so appointed shall, for the purpose of the meeting, be deemed to be the shareholder of the Corporation.

58. Voting by duly authorized representative precludes voting by proxy.—No shareholder being a company shall vote by proxy so long as a resolution referred to in regulation 57 authorizing any person to act as its duly authorized representative at any general meeting, shall be in force.

59. Proxies.—(1) Any shareholder of the Corporation entitled to attend and vote at a general meeting shall be entitled to appoint another person (whether a shareholder or not) as his proxy to attend and vote instead of himself but a proxy so appointed shall not have any right to speak at the meeting.

(2) No instrument of proxy shall be valid unless in the case of an individual shareholder it is signed by him or by his attorney duly authorized in writing, or in the case of joint holders, it is signed by the shareholder first named in the register or his attorney duly authorized in writing or in the case of a company it is executed under its common seal, if any, or signed by its attorney duly authorized in writing.

Provided that an instrument of proxy shall be sufficiently signed by any shareholder, who is, for any reason, unable to write his name, if his thumb impression affixed thereto is attested by a judge, magistrate, registrar or sub-registrar of assurances, or other government gazetted officer, or an officer of a nationalized bank or of the Corporation of the rank of manager and above.

(3) No proxy shall be valid unless it is made out specifically for the purpose of voting at the meeting at which it is to be used.

(4) No proxy shall be valid unless it is duly stamped and unless it, together with the power of attorney or other authority, if any, under which it is signed or a copy of that power or authority certified by a notary public or a judge or a magistrate, is deposited with the head office of the Corporation not less than forty eight hours before the time fixed for the meeting or adjourned meeting, or, in the case of poll, not less than twenty four hours before the time fixed for the purpose of the poll.

(5) No instrument of proxy shall, be valid unless it is in the following form and dated :

I/We.....
of.....
being a shareholder of the Delhi Financial Corporation holding share Nos.....hereby
appoint.....of.....(or failing.....him/her.....of.....) as my/our
proxy to vote for me/us and on my/our behalf at the annual general meeting of the shareholders of the
Corporation to be held on
.....the
.....at.....at.....
(day) (date) (time) (venue)
and at any adjournment thereof.
As witness I/We have affixed my/our hand(s).
dated.....
Dated.....day
of.....

Affix
Revenue
Stamp

Signature of the Shareholder

(6) An instrument of proxy so deposited shall be irrevocable after the last day for the deposit of proxy unless :—

(i) on or before the such day there shall have been deposited at the head office of the Corporation a notice in writing under the hand or common seal of the grantor, specifically stating :—

- (a) the name of the person in whose favour the instrument was granted; and
- (b) that such instrument is revoked.

Explanation.—(i) In the case of an instrument of proxy granted in favour of two or more grantees in the alternative, it shall not be necessary to mention in the notice of revocation the name of the second or alternative grantee provided that the notice is otherwise sufficient to identify beyond doubt the instrument of proxy which it is intended to revoke.

(ii) The same is deemed to be invalid under any of the sub-regulations (1) to (4) of this regulation.

60. If two or more instruments of proxy in respect of the same shares shall be deposited and if on or before the last day for deposit of proxies all but one of such instruments of proxy shall not have been duly revoked in accordance with the procedure prescribed in clause (6) of regulation 59 all such instruments of proxy shall be deemed invalid.

61. The due revocation of an instrument of proxy shall in no way prohibit the deposit of another valid instrument of proxy within the time specified in sub-regulation (4) of regulation 59.

62. Notwithstanding anything to the contrary in these regulations, the grantor of an instrument of proxy which has become irrevocable under this regulation shall not be entitled to vote in person at the meeting to which such instrument relates.

CHAPTER V

ELECTION OF DIRECTORS

63. **Issue of notice of election.**—Notice for an election of any directors shall be included in the notice convening the general meeting in which election is to be held. Every such notice shall also specify the number of directors to be elected and the particular vacancies in respect of which the election is to be held.

64. **List of shareholders.**—(1) For the purpose of election of directors mentioned in clause (e) of Section 10, a separate list shall be prepared of the shareholders mentioned in clause (d) of Sub-section (3) of Section 4.

(2) Such a list shall contain the names of the shareholders, their registered addresses in India, the number and distinguishing numbers of shares held by them with the dates on which the shares were registered and the number of votes to which they will be entitled on the date fixed for the election and copies of such a list shall be available for purchase on application at the head office of the Corporation, at least, three weeks before the date fixed for the election at a price per copy to be decided by the Managing Director.

65. **Proposal of candidates for directorship.**—(1) No candidate for election as a director of the Board shall be validly proposed unless—

- (a) he is, on the last date for receipt of nominations, not disqualified to be a director under Section 12 and who has not been removed earlier under Section 13;
- (b) he is proposed by or on behalf of, at least, two shareholders entitled to elect directors under clause (c) of Section 10;
- (c) the nomination is in writing, signed by the shareholders or by their duly constituted attorneys, provided that a nomination by a shareholder who is a body corporate may be made by a resolution of the directors of the said body corporate and where it is so made, a copy of the resolution certified to be a true copy by the Chairman of the meeting at which it was passed or by the secretary, the general manager/deputy general manager, executive officer of that body corporate shall be despatched to the head office of the Corporation and such copy shall be deemed to be a nomination on behalf of such body corporate;
- (d) the nomination contains a declaration signed by the candidate before a judge, magistrate, registrar or sub-registrar of assurances, or other Government gazetted officer or an officer of nationalized bank or of the Corporation not below the rank of manager, that he accepts the proposal and is willing to stand for election, and that he is not disqualified for election under Section 12 or earlier removed under Section 13.

(2) No nomination shall be valid unless it is complete in all respects and received in the head office of the Corporation not less than fourteen clear days before the date fixed for the election. If the last day of receipt of the nomination as aforesaid is not a working day, the proposal shall be delivered, at least, on the last working day prior to the said last day and to that extent the time limit of fourteen days shall stand reduced. In such an eventuality, the last day of the receipt of nomination shall be specifically mentioned in the notice convening the general meeting.

66. **Scrutiny of nomination and publication of list of candidates for directorship.**—(1) (a) The Managing Director shall scrutinize the nominations on the first working day following the last date fixed in terms of sub-regulation (2) of regulation 65 for the receipt of nominations. He shall after such enquiry, if any, as he thinks necessary, satisfy himself in regard to compliance of the provisions of regulation 65 and shall accept or reject the nomination for nomination of each candidate accordingly, and, in the case of rejection, shall briefly record his reasons for so doing. The decision of the Managing Director that a nomination is valid or invalid shall, subject to the result of any reference under regulation 69, be final, if the valid nominations are equal to vacancies to be filled by election, the candidate(s) so proposed shall be deemed to be elected forthwith and his/their name(s) and address(es) shall be published as so elected. In such an event there shall not be any election at the meeting convened for the purpose and if the meeting has been called, solely for the purpose of the aforesaid election, it shall stand cancelled.

(b) If the number of valid nominations per vacancy exceeds one, the Managing Director shall cause to be published the names and addresses of candidates validly nominated, one in English newspaper and one in Hindi newspaper circulating in Delhi.

(2) A director elected to fill an existing vacancy shall be deemed to have assumed office from the date following that on which he is, or is deemed to be, elected.

67. Nomination of Directors.—(1) The parties mentioned in clause (c) of Sub-section (3) of Section 4 shall by mutual agreement among themselves nominate two directors to represent them under clause (d) of Section 10.

(2) The Corporation shall make a formal request to the above coordinating institutions accordingly as and when a vacancy arises in the post of the above two directors.

(3) In the event of there being no mutual agreement as per sub-regulation (1), election shall be held in the manner prescribed for election under clause (e) of Section 10.

68. Removal of director from office under Sub-section 13.—(1) The shareholders in clause (d) of Sub-section (3) of Section 4 may remove any director elected under clause (e) of Section 10 before the expiry of his tenure of office, in the following manner :

- (a) the intimation of the intention to remove a director shall be given by these shareholders holding not less than twenty five per cent in the aggregate of the total issued equity share capital;
- (b) the shareholders shall have right to withdraw the intimation before a notice for holding general meeting for this purpose is issued;
- (c) on receipt of the intimation under clause (a) of sub-regulation (1) of this regulation, the Managing Director shall communicate the same to the Board of Directors within a period of one month from the date of receipt of the said intimation. On receipt of the communication from the Managing Director as aforesaid, the Board of Directors shall fix up a suitable date for holding a general meeting within a period of two months from the date of meeting of the Board and the business to be transacted thereat with authority to the Managing Director not to issue the notice if a communication withdrawing the intimation is received from the shareholders concerned before the issue of the notice convening the meeting;
- (d) simultaneously, on receipt of such an intimation from the shareholders, the Managing Director shall cause a communication to be sent to the director concerned about the move for his proposed removal asking him to make a representation, if any, in the matter, within a period of twenty one days from the date of receipt of said communication by him;
- (e) after the communication, as aforesaid, is sent to the director concerned, if the director concerned makes any representation with respect thereto, in writing, to the Corporation and requests for its notification to the shareholders of the class by whom he was elected and the Corporation shall, unless the representation is received too late for it to do so —
 - (i) in the notice of the resolution given to such shareholders mention in brief the position brought out in the representation, or
 - (ii) send a copy of the representation to the shareholder concerned along with the notice of the resolution referred to in sub clause (i) of this clause; or
 - (iii) if a copy of the representation is not sent as aforesaid because the same was received too late, the director may require that the said representation be read out at the meeting and the provision aforesaid will not prejudice the right of the director to be heard orally in the meeting;
 - (iv) the resolution for removal of the director shall be placed before shareholders of clause (d) of Sub-section (3) of Section 4 in general meeting for its decision and the director concerned, if he so wishes, shall be given an opportunity to represent his case before the meeting for such time as the Chairman of the meeting permits;
 - (v) the vacancy created by the removal of director under this regulation be filled in by the election of another director in his place in the meeting at which he is removed provided a special notice of intended election has been given or in any subsequent meeting as the Board may decide;
 - (vi) the procedure prescribed under these regulations for nomination and election of director shall apply to the election to be made for filling the vacancy caused by removal of director.

(2) The director so elected shall hold the office until the date upto which his predecessor would have held the office if he had not been removed as aforesaid.

(3) While convening a special general meeting for the above purpose, the Board may call for proposals for election of directors to fill the casual vacancy in the event of resolution for removal of the director being approved by the requisite number of shareholders as provided in Sub-section (2) of Section 13 and in that event, the provisions of

Chapter III and aforesaid provisions of this chapter shall mutatis mutandis apply to the special general meeting to be convened and to the election to be held as above.

69. Election disputes.—(1) If any doubt or dispute shall arise as to the qualification or disqualification of a person deemed or declared to be elected or otherwise as to the validity of the election of a director, any person interested, being a candidate or shareholder entitled to vote at such election, may, within seven days of the date of the declaration of the result of such election, give an intimation in writing thereof to the Chairman of the Board and in his absence, to the Chairman of the meeting and shall in so doing give full particulars of the grounds upon which he doubts or disputes the validity of such election.

(2) On receipt of an intimation under sub-regulation (1) of this regulation, the Chairman shall forthwith refer such doubt or dispute for the decision of a committee consisting of himself and any two directors nominated.

(3) Under clauses (b) and (c) of Section 10, the committee shall make such enquiry as it deems necessary and if it finds that the election was a valid election, it shall confirm the declared result of the election, or, if it finds that the election was not a valid election, it shall, within thirty days of the commencement of the enquiry, make such order and give such directions including the holding of a fresh election as shall, in the circumstances, appear just to the committee. On receipt of a direction from the committee to hold a fresh election the Board shall cause a fresh election within such reasonable period as the Board may consider.

(4) Any order and direction of the committee made in pursuance of this regulation shall be conclusive.

70. Retirement of Directors co-opted.—Subject to clause (e) of Section 10, the directors co-opted by the Board shall retire in the order of co-option on assumption of charge by the director or directors elected by the shareholders or after expiry of one year, whichever is earlier. If the co-option of more than one director is made on the same day, the retirement of such co-opted shall be decided by the Board.

71. Appointment of Auditor.—(1) The Corporation shall write to the Reserve Bank of India, at least two months prior to the date for appointment of Auditor in the general meeting for obtaining the panel of auditors approved by the Reserve Bank of India and the terms of appointment and remuneration payable to such auditors.

(2) Soon after the receipt of panel of auditor approved by the Reserve Bank of India, the Corporation shall ascertain about their willingness to work as auditors if so appointed by the shareholders in general meeting on terms and remuneration as fixed by the Reserve Bank of India.

(3) The notice convening of general meeting shall be convened as per procedure under these regulations for appointment of an auditor out of the panel sent by the Reserve Bank of India.

CHAPTER VI

MEETINGS OF THE BOARD AND THE EXECUTIVE COMMITTEE

72. Meetings of the Board.—(1) A meeting of the Board shall be held, at least, once during each quarter and shall be convened by the Managing Director or in his absence by any officer of the Corporation duly authorized by the Board in accordance with the instructions, if any, of the Board.

(2) One third of the number of directors on the Board at any time may require the Managing Director to convene a meeting of the Board at any time and the Managing Director shall, on receipt of the requisition, convene a meeting of the Board giving sufficient notice, provided that the date of the meeting so convened shall not be later than twenty one days from the date of the receipt of the requisition.

(3) Meetings of the Board shall be held at the place where the head office of the Corporation is situated, or at such other place within the jurisdiction of the Corporation as the Board may decide.

(4) Ordinarily, not less than fifteen days notice shall be given of each meeting of the Board and such notice shall be sent to every director at his usual address in India. Should it be found necessary to convene an emergency meeting, a notice shall be sent to every director at his registered address in India sufficiently in advance to enable him to attend.

(5) No business other than that for which the meeting was convened shall be discussed at a meeting of the Board except with the permission of the person presiding at the meeting or a majority of the directors present, unless one clear week's notice has been given of the same in writing to the Chairman or in his absence to the Managing Director.

(6) Quorum for the transaction of business at a meeting of the Board shall be one-third of the total number of directors for the time being constituting the Board (any fraction contained in that one third being rounded off as one), or not less than three directors of whom, atleast, one shall be a nominated director, whichever is less.

(7) **Minutes of Meetings.**—(a) The Corporation shall cause minutes of the meeting of the Board to be written in the books kept for the purpose which may be in the form of consequently numbered pages in a bound book and in no case the minutes shall be attached to any such book by pasting or otherwise.

(b) Any such minutes, if signed by the Chairman of the meeting at which the proceedings took place or by the Chairman of the next succeeding meeting shall be evidence of such proceedings.

(c) Until the contrary is proved, every Board meeting in respect of the proceedings whereof minutes have been recorded shall be deemed to have been duly called and held and all proceedings stated to have taken place thereat, to have duly taken place.

(d) If for any reason, the minutes of any meeting could not be signed in the manner specified in clause (b) of this sub-regulation, such minutes shall be deemed to be in order if signed by the Managing Director or a director on the authorization of a meeting of the Board held thereafter.

73. Meetings of the Executive Committee.—(1) The Executive Committee shall ordinarily meet once during each quarter at the head office of the Corporation or at such other place within the jurisdiction of the Corporation as the Chairman may decide, to attend to the business of the Corporation as may be delegated to it by the Board, from time to time. Sufficient notice shall be given to the members of the committee to enable them to attend the meeting.

(2) The Board may delegate to the executive committee powers to transact all the usual business of the Corporation except such matters as are specifically reserved to the Board under the Act or any regulations made thereunder.

(3) In the exercise of its powers, the Executive Committee shall be bound by such general or special directions as the Board may give from time to time.

(4) Quorum for the transaction of business at a meeting of the Executive Committee shall be one-third of the total strength of the Executive Committee (any fraction contained in that one-third being rounded off as one) or not less than two members of the Committee.

(5) The provisions of the Act and save as otherwise provided, of these regulations shall apply to the meetings of the Executive Committee as if they were meetings of the Board.

74. Disclosure of interest of director in any industrial concern.—(1) Every director of the Board and every member of the Executive Committee who has any interest in, or connection with, an industrial concern of the nature specified in sub-Section (2) of Section 28 shall disclose the nature of such interest or connection at a meeting of the Board or the Executive Committee, as the case may be.

(2) (a) In the case of proposed contract or arrangement, the disclosure required to be made by a director of the Board or member of the Executive Committee under sub regulation (1) above shall be made at the meeting of the Board or the Executive Committee, as the case may be, at which the question of entering into contract or arrangement is first taken into consideration, or if the director or member was not, at the date of that meeting, concerned or interested in the proposed contract or arrangement, at the first meeting of the Board or the Executive Committee, as the case may be, held after he becomes so concerned or interested.

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

(3) (a) For the purpose of sub-regulations (1) and (2), a general notice given by a director or a member, to the Board or to the Executive Committee, as the case may be, to the effect that he is a director or a member of a specified body corporate or is a member of a specified firm and is to be regarded as concerned or interested in any contract or arrangement which may, after the date of notice, be entered into with that body corporate or firm, shall be deemed to be a sufficient disclosure of his concern or interest in relation to any contract or arrangement so made.

(b) A director or a member giving a general notice to the Board or the Executive Committee under clause (a) of this sub-regulation shall, as soon as possible, give notice of any change in the particulars contained therein.

(4) No such general notice, or no notice of any change therein shall be of effect unless either it is given at a meeting of the Board or the Executive Committee, as the case may be, or the director or member concerned takes reasonable steps to secure that it is brought upon and read at the first meeting of the Board or the executive committee, as the case may be, after it is given.

(5) No director of the Board and no member of the Executive Committee shall, as a director or member, as the case may be, take any part in the discussion of, or vote on, any contract or arrangements entered into or to be entered into by or on behalf of the Corporation, if he is in any way, whether directly or indirectly, concerned or interested in such contract or arrangement, nor shall his presence count for the purpose of forming a quorum at the time of such discussion or vote, and if he does vote, his vote shall be void.

75. Fee for director's meeting.—(1) Each director (other than the Managing Director and a salaried officer of the State Government or any Government undertaking) shall receive a fee for attending a meeting of the Board or the Executive Committee or any committee constituted by the Board under Section 23 as may be decided by the Board of directors from time to time.

(2) In addition, each director attending a meeting of the Board or of the Executive Committee shall be reimbursed his travelling and halting expenses, if any, on such scale, at his option, as he is entitled to in the institution in which he holds office or on such scale as may be fixed by the Board from time to time and in any other case, at the latter scales.

76. Appointment of committees.—(1) The Board may appoint committees consisting wholly of directors or wholly of other persons or partly of directors and other persons as it deems for such purpose or purposes as it may think fit.

(2) Any committee constituted under sub-section (3) of Section 18 or Section 21 shall, in the exercise of the powers entrusted to it, be bound by such general or special directions as the Board may give from time to time.

(3) Meeting of any such committee may be convened from time to time at the Head Office of the Corporation, or at such other place within the jurisdiction of the Corporation or at any other place as may be specified in the notice convening the meeting. Sufficient notice shall be given for such meeting.

(4) The Chairman of the Board or the Managing Director or any other member of such a committee as may be decided by the Board or the committee shall be the Chairman of that committee. If the Chairman of any such committee is, for any reason, unable to attend a meeting of the committee, a person authorized by the said Chairman in writing shall preside at that meeting. In default of such authorization or in absence of the person so authorized, the committee may elect a Chairman to preside at that meeting.

(5) Each member of any such committee, who is not a director, auditor, officer or other employee of the Corporation who has already made a declaration under Section 40 shall, before entering upon his duties, be required to sign a declaration of fidelity and secrecy to the effect set out in the form given in the Schedule to the Act.

(6) The provisions of the Act and, save as otherwise provided, of these regulations shall apply to the meetings of such committees formed under sub-section (3) of Section 18 or Section 21 of the Act as if they were the meetings of the Executive Committee.

77. Resolution without meeting valid.—(1) A resolution in writing circulated to all the Directors by the Managing Director or in his absence by any officer of the Corporation duly authorized by the Board at their registered addresses in India and approved and signed by a simple majority of the Directors on the Board of the Corporation or where the matter concerns the Executive Committee or any other committee appointed by the Corporation, who are, then, in India, one of whom shall be the Chairman of the Board or the Executive Committee or other committee, as the case may be, or the Managing Director shall be valid and effectual and shall be deemed to be the resolution passed by the Board, the Executive Committee or other committee, as the case may be. The resolution shall be deemed to have been passed on the date on which it is concurred and signed by the last signatory to the resolution:

Provided that any resolution passed as aforesaid shall be placed before the next meeting of the Board, Executive Committee or other committee, as the case may be, for confirmation and or modifications, if any:

(2) Nothing in sub-regulation (1) of this regulation shall apply to a resolution in respect of any matter relating to granting of any loan or financial assistance in any form to any industrial concern under the Act.

CHAPTER-VII

GRANT OF ACCOMMODATIONS

78. Conditions for accommodation.—No accommodation shall be given by the Corporation under Section 25 unless the Corporation may impose such conditions as it may think necessary or expedient for protecting the interests of the Corporation and securing that the accommodation granted by it is put to the best use by the industrial concern

79. Instruments evidencing security to be in prescribed form.—Instruments evidencing the security to be taken for accommodation given by the Corporation under Section 25 shall be in the form approved by the Board or such authority as authorized by the Board and no material alteration shall be made in the form so approved without the approval of the Board or such authority. Instruments in respect of which the committee has not prescribed any form shall require the approval of the Board or such authority in each case;

Provided that no such instrument shall be open to challenge only on the ground that the said document or any alteration thereto is not approved by the Board or such authority to whom the powers are delegated.

80. Margins to be maintained in Granting accommodation.—(1) For the purpose of determining the amount of the accommodation to be granted such margins may be retained in the valuation of the asset pledged, mortgaged, hypothecated or assigned to the Corporation as may be considered reasonable by the sanctioning authority on the basis of guidelines, if any, approved by the Board or any authority so authorized by the Board.

81. Additional condition of accommodation.—The Corporation may impose such conditions as it may consider necessary or expedient during disbursement of sanctioned loan and thereafter to secure the financial interest of the Corporation.

CHAPTER—VIII GENERAL PROVISIONS

82. Board to inform the State Government regarding disqualifications.—The Board shall forthwith inform the State Government if it comes to the notice of the Board that any Director has become subject to any disqualification under the Act.

83. Acts of directors valid notwithstanding subsequent discovery of disqualifications.—All acts done at any meeting of the Board or the executive committee or committee constituted by the Board by any person acting as Director of the Board or member of the Executive Committee or of a committee shall, notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such persons or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and duly qualified.

84. Delegation of powers.—Without prejudice to the powers conferred under the Act or these regulations, the Board may, if deemed expedient, authorize the Executive Committee or a committee appointed under sub-section (3) of Section 18 or Section 21 or the Managing Director to decide on delegation in respect of any of the matters, whether referred to in these regulations or not. Delegation so decided by the Executive Committee/Committee/Managing Director, as the case may be, shall be reported to the Board immediately.

(2) Without prejudice to the generality of the powers conferred or restrictions imposed under the Act or regulations, the Managing Director or any other officer shall, subject to such restrictions or instructions as may be considered necessary by the Board or the authority who has been delegated necessary powers by the Board in this behalf, exercise the following powers:—

- (a) all the powers and duties of the Board and doing of all such acts or things as the Corporation is authorized to exercise or do;
- (b) to operate bank and other accounts either singly or jointly with a director or any other officer of the Corporation authorized in this behalf by the Board or the authority who has been delegated necessary powers by the Board in this behalf and to draw, accept and endorse bills of exchange or any other instruments in the current or authorized business of the Corporation and to sign all other accounts, receipts, documents, etc., connected with such business;
- (c) to organize and supervise the office, maintain discipline and exercise such powers in connection with appointment, promotion, determination of service, transfers, suspension and granting of leave to the staff of the Corporation, etc., and to allocate duties to the staff and make such other arrangements as may be necessary for the efficient discharge of the functions of the Corporation;
- (d) to incur such expenditure for the day to day administration of the office and conduct of business as may be necessary;
- (e) without prejudice to the generality of the provisions of clause (a) to (d) above, the Managing Director or any other officer shall, subject to such restrictions or instructions as may be considered necessary by the Board or the authority who has been delegated necessary powers by the Board in this behalf, exercise the following powers:—
 - (i) to refer any claim or demand by or against the Corporation to arbitration and observe and perform the awards;
 - (ii) To decide about the actual operation of accounts of the Corporation, authority to execute all documents on behalf of the Corporation, authority to deal with any legal matter either of the Corporation or on its behalf;

- (iii) to enter into all negotiations and contracts and rescind and vary all such contracts and execute and do all such acts, deeds and things in the name and on behalf of the Corporation as may be considered expedient for or in relation to any of the matters aforesaid or otherwise for the business of the Corporation.
- (iv) to institute, conduct, defend, compound or abandon any legal proceedings by or against the Corporation or its officers or otherwise concerning the affairs of the Corporation, and also to compound and allow time for payment or satisfaction of any debt due, or of any claim or demand by or against the Corporation.

(3) It will be in order for the Board or the Managing Director, as they may deem fit, to delegate to a committee of the Board/Managing Director or any other officer of the Corporation respectively, any of their powers/duties under these regulations by a general or special order, subject to such a conditions and limitations, as may be specified, in the said order.

85. Remuneration to members of committees for extra services rendered.—Members of a committee appointed by the Board under sub-section (3) of Section 18 or Section 21 may be paid, for special assignments undertaken for or extra services rendered to the Corporation, in addition to the fees for attending meetings and reimbursement of traveling, halting and other expenses as may be applicable to them, remuneration/honorarium at such scales as may be fixed by the Board/Managing Director from time to time.

86. Remuneration to directors, officers and others.—Any person, or officer or director of the Corporation, when required to undertake special assignments for or to render extra services to the Corporation, may be paid in addition to travelling, halting and other expenses as may be applicable, remuneration/honorarium at such scales as may be fixed by the Board/Managing Director from time to time.

87. Manner and form in which contracts binding on the Corporation may be executed.—Contracts on behalf of the Corporation may be made as follows :—

- (a) any contract which is by law required to be in writing, may be made on behalf of the Corporation in writing signed by any person acting under its express authority and may in the same manner be varied or discharged;
- (b) any contract which would be valid if made by parole only, may be made by parole on behalf of the Corporation by any person acting under its authority, express or implied, and may, in the same manner, be varied or discharged;

88. Accounts, receipts and documents of Corporation by whom to be signed.—The Managing Director, or such other officer of the Corporation as the Board or the Executive Committee or any committee appointed under sub-section (3) of Section 18 or Section 21 or the Managing Director who have been delegated the necessary powers by the Board in this behalf may sign any contract of any description whatsoever, issue, execute, endorse and transfer promissory notes, bonds, stock receipts, stock, debentures, shares, securities and documents of title to goods standing in the name of, or held by the Corporation and draw, accept and endorse bills of exchange and other instruments in the current and authorized business of the Corporation and sign all other accounts, receipts and documents connected with such business.

89. Plaints, etc., by whom to be signed.—Plaints, written statements, vakalatnamas, affidavits and all other documents connected with legal proceedings may be signed and verified on behalf of the Corporation by the Managing Director or any other officer authorized under regulation 87 to sign documents for, and on behalf of the Corporation.

90. Common seal of the Corporation.—(1) The Board shall provide a common seal for the purpose of the Corporation and shall have powers from time to time to destroy the same and substitute a new seal in lieu thereof and the Board shall provide for the safe custody of the seal for the time being.

(2) The common seal of the Corporation shall be affixed to the share certificates issued by the Corporation, power of attorney made in favour of a person and may be used for such other purposes as may be approved by the Board/Executive Committee.

(3) The common seal of the Corporation shall not be affixed to any instrument except pursuant to a resolution of the Board or the Executive Committee, as the case may be, and except in the presence of, at least, two officers of the Corporation one of whom shall be the Managing Director, who shall sign their names to the instrument in token of their presence, and such signing shall be independent of the signing of any person who may sign the instrument as a witness. Unless so signed as aforesaid, such instrument shall be of no validity.

91. Issue of bonds and debentures.—(1) The bonds or debentures of the Corporation shall be issued under the signature for the Chairman or Managing Director and such signature may be printed, engraved or lithographed or impressed by such other mechanical process as the Board may direct.

(2) A signature so printed, engraved, lithographed or otherwise impressed shall be as valid as a signature in the proper handwriting of the signatory himself.

(3) Depending upon the conditions prevalent in the money market and instructions and guidelines, if and as may be prescribed by the State Government, the Board may decide from time to time the manner and terms of issue and repayment of bonds and debentures by the Corporation, with or without the guarantee of the State Government.

(4) In the event of the State Government guaranteeing the repayment of such bonds and debentures and payment of interest thereon, such bonds and debentures shall be deemed to be included among the securities enumerated in Section 20

of the Trusts Act, 1882 (2 of 1882) and also approved securities for the purpose of the Insurance Act, 1938 (4 of 1938) and the Banking Regulations Act, 1949 (10 of 1949).

92. Notice etc., by whom to be received.—Notice etc. to be served on the Corporation in connection with the legal proceedings or otherwise, may be received on behalf of the Corporation by any officer duly authorized in this behalf.

93. Annual statements of accounts.—The Corporation shall prepare the balance sheet as at 31st March of every year and profit and loss account for the year ending on that day, in Form 'C' and Form 'D' or in the form as may be specified from time to time the Board in consultation with the Small Industries Bank.

94. Returns.—The statements and returns to be furnished under sub-section (1) of Section 38 shall be in such forms as the State Government, the Reserve Bank or the Small Industries Bank may require from time to time.

95. Dividends.—(1) Dividends declared shall be paid as soon as may be after the annual accounts are discussed and adopted at the general meeting.

(2) No interest shall be payable by the Corporation on any dividend.

(3) Anyone of several persons who are registered as joint holders of any share may give effectual receipts for all dividends in respect of such share.

(4) A dividend shall be paid by cheque or warrant drawn on the Corporation's bankers at the place where its Head Office is situated, and shall be sent to the registered address in India of the shareholder entitled or in the case of joint holders, to the registered address in India of the one whose name stands first on the register in respect of the joint holding, and every cheque or warrant so sent shall be made payable to the order of the shareholder to whom it is sent. In the event of Demat Shares, the dividend shall be credited directly to the bank account of the shareholders under Electronic Clearance Scheme.

(5) The Corporation shall not make payment of a dividend to any person not entitled thereto under the Act or these regulations but shall retain the same and make payment thereof to the person who next becomes registered in respect of the shares on which such dividend is payable.

(6) No shareholder shall be entitled to receive payment of any dividend in respect of his share until all moneys due or owing by him to the Corporation in respect of such shares have been paid.

(7) Dividend remaining unpaid or unclaimed for a period of three years, from the date of declaration shall be transferred to a separate reserve fund created for the purpose. The payment from the fund shall be made to any person claiming to be entitled, subject to satisfaction by the Corporation and after taking such security as may be specified by the Managing Director.

96. Investment of funds.—In the matter of investment of funds of the Corporation in any securities or otherwise, the Board shall be guided by the applicable guidelines and the prudential norms as may be adopted by the Board from time to time.

97. Temporary investment of surplus funds.—In the matter of investment (whether by way of deposit in the Bank or otherwise) of the amounts which are not for the time being required for the transaction of business, the Managing Director shall be guided by the applicable guidelines and the prudential norms as framed by the Board.

98. Nomination in respect of deposit, bonds, shares, debentures and other securities.—(1) Subject to the provisions of Section 41 B and these regulations, a subscriber to the bonds, deposits and other securities, shall send to the Corporation, a nomination, in Form 'E', conferring on one or more persons the right to receive the amount that may stand payable to him or her in the event of his/her death accruing before the amount has become payable, or before the amount having become payable, has been paid. In case of such nomination, the amount payable on such deposits, bonds or securities, shall, on the death of the subscriber/depositor or holder thereof, vest in, and be payable to, the nominee subject to any right, title or interest of any other person to such deposits, bonds or securities.

(2) If the person, thus, nominated is, at the time of his/her nomination, a minor or under legal disability, to give a valid receipt or discharge to the Corporation, the subscriber/depositor/holder shall at the time of such nomination as aforesaid, make nomination of another person of full age who is capable of giving a valid receipt or discharge and to whom the amount payable is to be paid for and on behalf of the person(s), who is/are nominated as aforesaid, so long as he/they shall be a minor or under legal disability and the receipt of the said person of full age shall, during the minority or the legal disability of the person/s so nominated, as aforesaid, be a good discharge to the Corporation.

(3) If a subscriber/depositor/holder nominates more than one person under sub-regulation (1), he or she shall specify in the nomination the amount or share payable to each of the nominees in such manner as to cover the whole of the amount that may become payable to him or her.

(4) Any payment by the Corporation in accordance with the above sub-regulation shall constitute a full discharge to the Corporation of its liability in respect of such deposits, bonds or securities.

99. Procedure for recovery of amounts due to the Delhi Financial Corporation as an arrears of Land Revenue u/s. 32G of the Act.—(1) An application accompanied by the documents copies on which the Delhi Financial Corporation is

[illegible]

FORM 'B'

[See regulation 15(1)]

DELHI FINANCIAL CORPORATION

SHARE CERTIFICATE

THIS IS TO CERTIFY that the person(s) named in this Certificate is/are the registered holder(s) of the within mentioned share(s) bearing the distinctive number(s) herein specified in the above company subject to the provisions of the State Financial Corporations Act, 1951 and the rules and regulations made thereunder and that the amount endorsed hereon has been paid up on each such share.

**EQUITY SHARES EACH OF FACE
VALUE OF RS.**

REGD. FOLIO NO.	CERTIFICATION NO.
NAME(S) OF HOLDER(S)	
NUMBER OF SHARE(S) HELD _____ ()	
DISTINCTIVE NO. (s) _____	

Given under the Common Seal of the corporation dated the _____ day of _____ 2007 at _____
MANAGING DIRECTOR **OFFICER**

NOTE : No transfer of any of the shares comprised in this certificate will be registered unless accompanied by this certificate.

DELHI FINANCIAL CORPORATION

SCHEDULE 'A'—SHARE CAPITAL

As on Rs.	PARTICULARS	As on Rs.
	AUTHORISED	
	_____ shares of Rs. 100/- each	
	ISSUED	
	(A) EQUITY	
	(a) shares (Previous year) of, Rs. 100/- each issued under Section 6(1) of SFCs Act, 1951.	
	(b) shares of Rs. 100/- each issued under Section 4A(1) of the SFCs Act, 1951.	
	(B) 445 Redemable Preference Shares U/s. 4(D) of SFCs Act, 1951.	
	SUBSCRIBED AND PAID-UP	
	(A) EQUITY	
	(a) shares (Previous year) of, Rs. 100/- each fully paid-up under Section 6(1) of SFCs Act, 1951.	
	(b) shares of Rs. 100/- each fully paid-up as special class of shares under Section 4A of SFCs Act, 1951.	
	(B) 445 Redemable Preference Shares U/s. 4(D) of SFCs Act, 1951.	

SHARE APPLICATION MONEY ACCOUNT

Equity Shares (previous year) of Rs. 100/- each
fully paid-up under Section 6(i) of SFCs Act, 1951.
Special Shares of RS.1 001- each;

<div style="border: 1px solid black; height: 15px; width: 100%;"></div>	B	<div style="border: 1px solid black; height: 15px; width: 100%;"></div>
<div style="border: 1px solid black; height: 15px; width: 100%;"></div> TOTAL ('A' + 'B')		<div style="border: 1px solid black; height: 15px; width: 100%;"></div>

FORM 'C' (See regulation 93)

DELHI FINANCIAL CORPORATION **BALANCE SHEET AS AT**

As on Rs.	CAPITAL & LIABILITIES	SCHEDULE	As on Rs.
	Share Capital		A
	Reserve and Surplus		B
	Bonds & Debentures		C
	Borrowings from SIDBI		
	Borrowing from Govt. of NCT Delhi		
	Provisions		D
	Other Liabilities		E
<div style="border: 1px solid black; height: 15px; width: 100%;"></div>	Total		<div style="border: 1px solid black; height: 15px; width: 100%;"></div>

As on Rs.	PROPERTY & ASSETS	SCHEDULE	As on Rs.
	Cash & Bank Balance		F
	Investment		G
	Loans & Advances		H
	Fixed Assets		I
	Other Assets		J
<div style="border: 1px solid black; height: 15px; width: 100%;"></div>	TOTAL		<div style="border: 1px solid black; height: 15px; width: 100%;"></div>
	NOTES ON ACCOUNTS		P

On behalf of the Board

Asstt. Manager Sr. Manager Deputy Genl. Manager Chief General Manager Managing Director

In terms of our report of even date annexed

For XYZ & Co.
Chartered Accountants

(Partner)

Place : New Delhi
Dated :

DELHI FINANCIAL CORPORATION

SCHEDULE 'B'—RESERVES AND SURPLUS

As on Rs.	PARTICULARS	Rs.	As on Rs.
	GENERAL RESERVE FUND (Section 35 of SFCs Act, 1951) Balance as per last Balance Sheet		
	Less: Transfer to Profit & Loss Appr. Account		
	SPECIAL RESERVE FUND (Section 35(A) of SFCs Act, 1951) Balance as per last Balance Sheet		
	OTHER RESERVES		
	Special Reserve for the purpose of Section 36(i)(vii) of Income-tax Act, 1961 Balance as per last Balance Sheet		
	Addition during the year		
	CAPITAL RESERVE Balance as per last Balance Sheet		
	INVESTMENT FLUCTUATION RESERVE Balance as per last Balance Sheet Addition during the year		
	Amount transferred from Profit & Loss Appropriation A/c Profit & Loss A/c		
	TOTAL		

DELHI FINANCIAL CORPORATION

SCHEDULE 'C'—BONDS AND DEBENTURES

As on Rs.	No. of Bonds as on	Rate of Interest	Particulars	As on Rs.
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SCHEDULE 'D'—PROVISIONS

As on Rs.	PARTICULARS	As on Rs.
	Provision for Dividend on Equity Shares During the year	
	Provision for Dividend on Preference Shares	
	Provision for Standard Assets	
	Provision for tax on distributable Profits	
	Provision for Income tax & Interest tax	
	TOTAL	

DELHI FINANCIAL CORPORATION

SCHEDULE 'E' —OTHER LIABILITIES

As on Rs.	PARTICULARS	Rs.	As on Rs.
	Borrower's Imprest		
	Staff Provident Fund (net off advance)		
	General Provident Fund		
	Security Deposit		
	Earnest Money		
	Sundry Deposits		
	DPC Employee Pension Fund		
	Less : Short Term Deposits for Pension Fund		
	Less : Bank-Balance with State Bank of Saurashtra (Pension Fund A/c)		
	Gratuity withheld		
	Outstanding Liabilities		
	Unclaimed Dividend		
	Unpaid Dividend		
	Interest Suspense A/c (Suit Filed Cases)		
	Credit Guarantee Claim Received		
	TDS		
	Security Deposit Lease Financing		
	Bond Holder's Unclaimed Amount		
	Seed Capital from SIDBI		
	DSCF and DC-Margin Money		
	Margin Money DI		
	NEF Soft Loan		
	Against supply of fixed assets		
	Cheques issued but not presented		
	Interest Sub. from Directorate of welfare		
	TOTAL		

DELHI FINANCIAL CORPORATION

SCHEDULE 'F' —CASH AND BANK BALANCES

As on Rs.	PARTICULARS	Rs.	As on Rs.
	Cash in hand		
	Balance with Banks in current accounts		
	(i) Reserve Bank of India		
	(ii) Scheduled Banks		
	Short Term Deposits with Scheduled Banks		
	Remittance in Transit Cheques Deposited but not Credited		
	TOTAL		

SCHEDULE 'G'—INVESTMENTS

As on Rs.	PARTICULARS	As on Rs.
	UNQUOTED	
	800 Equity Shares of Rs. 100 each (HARDICON)	
	(Unquoted at face value)	
	QUOTED	
	100 Equity Shares of Oriental Bank of Commerce of Rs. 10 each at a premium of Rs. 50 per share (valued at cost).	
	TOTAL	

DELHI FINANCIAL CORPORATION

SCHEDULE 'H'—LOANS AND ADVANCES

As on Rs.	PARTICULARS	Rs.	As on Rs.
	Corporation's Fund (As per Annexure)		
	Term Loan		
	Working Capital Term Loan		
	Soft Loan		
	Secd/Margin Money		
	Short Term Working Capital		
	Loans to Staff		
	Less:		
	Provision for Non Performing Assets		
	Provision for Bad Debts		
	TOTAL		

DELHI FINANCIAL CORPORATION

ANNEXURE TO SCHEDULE 'H'

As on Rs.	DETAILS OF LOANS AND ADVANCES	As on Rs.
	1. Particulars of Loans and Advances	
	(a) Debts considered good in respect of which the Corporation is fully secured (out of this, debts amounting to Rs. 33,02,65,409 are also secured by personal guarantees)	
	(b) Debts previously fully secured but now secured to the extent of Rs. 14,58,84,958	
	Advance to Staff	
	Less: Provision, NP/	

As on Rs.	DETAILS OF LOANS AND ADVANCES	As on Rs.
	(c) Debts due by concerns in which one or more Directors of the Corporation are interested Directors, Partners, Shareholders, Proprietors or Managing Agents or in the case of Private Companies as Members.	
	(d) Total amount of loans disbursed during the year to concerns in which one or more Directors of the Corporation are interested as Directors, Partners shareholders, Proprietors or Managing Agents or in the case of Private Companies as Members.	
	(e)(i) Total amount of instalments whether of principal or interest of which default was made at any time during the year	
	(ii) Total amount of instalments whether of principal or interest overdue at the end of year	
	(iii) Total amount of instalments whether principal or interest overdue by concerns in which the Directors of the Corporation are interested	
	(iv) Total amount due from the industrial concerns against whom legal action has been taken for recovery of the dues	
	(f) Debts guaranteed by the State Govt. and Scheduled Banks or State Cooperative Bank	
	(g) Debts due from loanee concerns whose management has been taken over by the Corporation	
	(h) Debts Considered doubtful	
	2. Classification of Loans and Advances as at 31st of March, 2001 according to the size of the Industrial units.	
	(i) Debts due from small scale industrial concerns	
	(ii) Debts due from tpt. loanee concerns.	
	(iii) Debts due from concerns other than those indicated under (i) above	
	Advance to staff	
	Less : Provision. NPA	
	3. Classification of loan and advances according to the constitution of the industrial units	
	(a) Proprietary	
	(b) Partnership	
	(c) Hindu Undivided Family	
	(d) Co-operative Societies	
	(e) Private limited Company	
	(f) Public Limited Company	
	(g) Public Sector Companies	
	Loans & Advances to Staff	
	Less Provision for NPA	

Classification of Assets as per the guidelines issued by the IDBI

As On 31-2-2001 DETAILS OF LOANS AND ADVANCES

As On 31-2-2002

Rs.

Rs.

Loans & Advances to Staff

Standard Assets

Sub-standard Assets

Doubtful Assets :

(i) Below one year

(ii) Below three years

(iii) Over three years

Loss Assets

Less Provision for NPA,

DELHI FINANCIAL CORPORATION

SCHEDULE : FIXED ASSETS

Particulars	WDV As on	Additions	Transfer/	Total Values	Depreciation	Loss on	Lease	WDV As on
	Rs.	during the	Sold during	As on	charged during	Assets	Equalisation	Year
	Rs.	year	the year	Rs.	Loss on Assets	Rs.	Reserve	Rs.
A. Depreciation								
Fixed Assets								
1. (a) Land Lease hold								
(b) Residential Flats								
2. Vehicles								
(a) Motor Car								
(b) Others								
3. Furnit. & Fixtures								
including sale								
cabinets & pad								
locks								
4. Office equipment,								
electrical								
installation								
are others								
5. Computer								
(Software &								
Hardware								
Total 'A'								
B. 1. Building								
Work in								
progress								
Total 'B'								
C. 1. Lease Vehicle								
2. Lease								
Equipment								
Total 'C'								
Total 'A' 'B'+'C'								
Previous Year								

DELHI FINANCIAL CORPORATION

SCHEDULE 'J'—OTHER ASSETS

As on Rs.	PARTICULARS	As on Rs.
	Stationery & Stores (at cost)	
	Accrued Interest Suspense (suit filed cases)	
	Postage Stamps in hand	
	Advances to Staff (Festival)	
	Security Deposits	
	Subsidy of DI for Modernisation	
	Advance Tax Paid	
	TDS	
	Income Tax Refund Due	
QHEB	Advances to Staff for expenses	
	Leave Salary Advance	
	Advance for Computerisation-Software development	
	Advance for Marketing Study	
	Advance for Study Organisation & Restructuring	
	SIDBI Seed Capital	
	Soft Loan (NEF)	
	SBI Bond Issue	
	Advance for Computer Hardware/Software	
	Government of NCT of Delhi	
	TOTAL	

DELHI FINANCIAL CORPORATION

SCHEDULE 'K'—OTHER INCOME

As on Rs.	PARTICULARS	As on Rs.
	INTEREST	
	(i) On Advance to Staff	
	(ii) On Investment Deposit	
	(iii) On Income Tax Refund	
	Processing & Other Miscellaneous income	
	Seed Capital Service Charge	
	Misc. Recovery Receipts (IRC)	
	Lease Management Fees & CPC Received	
	Dividend Received	
	Commitment charges	
	TOTAL	

DELHI FINANCIAL CORPORATION

SCHEDULE 'L' —OTHER FINANCIAL EXPENSES

As on Rs.	PARTICULARS	As on Rs.
	Bank Charges	
	Interest on Provident Fund	
	Management Expenses on Bonds	
	Interest on Pension Fund	
	Interest on Interest Tax	
	Upfront fee	
	TOTAL	

DELHI FINANCIAL CORPORATION

SCHEDULE 'M' —SALARIES & ALLOWANCES

As on Rs.	PARTICULARS	As on Rs.
	SALARIES AND ALLOWANCES	
	(i) Chairman & Managing Director	
	(ii) Others	
	LEAVE SALARY & PENSION CONTRIBUTION	
	(i) Chairman & Managing Director	
	(ii) Others	
	Corporation contribution to pension Fund	
	Contribution to Staff Provident Fund	
	TOTAL	

DELHI FINANCIAL CORPORATION

SCHEDULE 'N' —ADMINISTRATIVE EXPENSES

As on Rs.	PARTICULARS	As on Rs.
	TRAVELLING	
	a) Chairman & Managing Director	
	b) Others	
	OTHERS	
	Directors & Committee Members fee	
	Directors TA/HA	
	Rent, Taxes, Insurance Light etc.	
	Rent (Leased accomodation to MD)	
	Postage, Telegram, Stamps & Telephones	
	Printing & Stationery	
	Publicity & Advertisement	
	Repairs and Renewals including maintenance of office equipment	
	Car Running & Maintenance	
	Legal Charges -Retainership	
	Consultancy & Prof. Remuneration	
	AUDIT FEES	
	(a) Statutory Auditors	
	(b) In other capacity	
	(c) out of Pocket Expenses	
	TOTAL	

DELHI FINANCIAL CORPORATION

SCHEDULE 'O' — OTHER EXPENSES

As on Rs.	PARTICULARS	As on Rs.
	Books & Newspapers	
	Uniforms	
	Misc. Expenses not enumerated	
	Staff Welfare	
	Revenue Loss	
	Equipment Hire Charges	
	LG/Chief Minister Relief Fund	
	TOTAL	

FORM 'D'

(See regulation 93)

DELHI FINANCIAL CORPORATION

PROFIT AND LOSS A/C FOR THE YEAR ENDED

As on Rs.	PARTICULARS	SCHEDULE	As on Rs.
	INCOME		
	Interest on Loan & Advances Lease Rent		
	Other Income	K	
	TOTAL		
	EXPENDITURE		
	Interest on Bonds, Deposits & Borrowings		
	Other financial Expenses	L	
	Salaries & Allowances	M	
	Administrative Expenses	N	
	Other Expenses	O	
	Depreciation		
	Bad Debts Written off		
	Interest Adjustment Account		
	Loss on Sale of Fixed Assets (Net)		
	Provision for Bad & Doubtful Debts		
	Net Profit for the year carried down		
	TOTAL		
	Net Profit for the year brought down		
	Prior period adjustments		
	Add : Excess Provision of Income Tax written Back		
	Add : Excess Provision of Pension Fund Written Back		
	Less : Short provision of income tax		
	Balance carried down to Profit & Loss		
	Appropriation A/c		
	PROFIT & LOSS APPROPRIATION A/C		
	Balance transferred from Reserves & Surplus		
	ADD :		
	(i) Net Profit transferred from Profit & Loss A/c		
	ADD : Transferred from General Reserve		
	LESS :		
	(i) Amount transferred to Special Reserve for the purpose of Section 36(1)(viii) of Income Tax Act, 1961		
	(ii) Provision for taxation		
	(iii) Amount transferred to provision on standard assets		
	(iv) Amount transferred to Provision for Non-Performing Assets		
	(v) Dividend proposed on Preference Shares for FY'2001-2002		

(vi) Dividend proposed on Equity Shares for FY 2000-2001
 (vii) Tax on distributable profit for FY 2000-2001
 (viii) Amount transferred to Lease Equilisation Reserve
 (ix) Provision for loss on sale of fixed assets in earlier years
 (x) Provision for Investment Fluctuation Reserve
 Balance of Profit Carried over to Reserves & Surplus

Asstt. Manager

Sr. Manager

Deputy Genl. Manager

Chief General Manager

Managing Director

In terms of our separate report of even dated attached

For XYZ & Co
 Chartered Accountants

Place : New Delhi

Dated :

Partner

FORM 'E'
[See regulation 98 (B)]
NOMINATION FORM

DELHI FINANCIAL CORPORATION

(to be filled in by Individual(s) applying singly or jointly)

I/We _____ and _____
 the holders of shares/Debentures/Deposit Receipt bearing number(s)
 of M/s _____ wish to make a nomination and do

hereby nominate these following person(s) in whom all rights of transfer and/or amount payable in respect of shares or debentures or deposits shall vest in the event of my or our death, Name(s) and addresse(es) of Nominee(s)

Name : _____

Address : _____

Date of Birth : _____

*(to be furnished in case the nominee is a minor)

**The Nominee is a minor whose guardian is _____ Name and Address

(**to be deleted if not applicable)

Signature : _____
 Name : _____
 Address : _____

Date : _____
 Signature : _____
 Name : _____
 Address : _____

Date : _____
 Signature : _____
 Name : _____
 Address : _____

Date : _____

Address, Name and Signature of witness :

Name and Address _____ Signature with date _____

1. _____

2. _____

By Orders,
 Signature

Name (_____)
 Designation _____