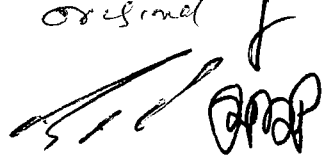


THIS AGREEMENT MADE THIS THE 28th DAY OF February 1992

BETWEEN TAMROCK OY, A CORPORATION ESTABLISHED UNDER THE LAWS OF FINLAND HAVING ITS HEAD OFFICE/REGISTERED OFFICE AT SF-33101 TAMPERE, FINLAND (HEREINAFTER REFERRED TO AS "TAMROCK") OF THE FIRST PART AND ELECON ENGINEERING CO. LTD., A COMPANY REGISTERED UNDER THE INDIAN COMPANIES ACT 1956 AND HAVING ITS REGISTERED OFFICE AT VALLABH VIDYANAGAR, GUJARAT, INDIA (HEREINAFTER REFERRED TO AS "ELECON") OF THE SECOND PART AND MR. B.I.PATEL REPRESENTING BHANUBHAI PATEL GROUP HEREINAFTER DEFINED AS THE THIRD PART. THE EXPRESSIONS "TAMROCK", "ELECON" AND "BHANUBHAI PATEL GROUP" SHALL, UNLESS THE CONTEXT OTHERWISE REQUIRES, INCLUDE THEIR SUCCESSORS & ASSIGNEES, ADMINISTRATORS AND EXECUTORS.

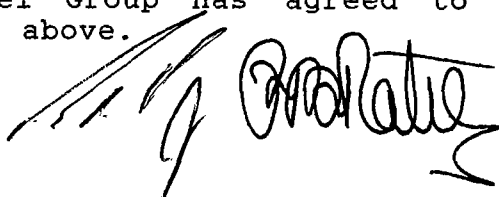
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WHEREAS :-

- 1) Pursuant to a Promotion Agreement dated 21st March 1974 as amended by Agreement dated 31st July 1974 (The "Promotion Agreement") Eimco Tunnelling and Mining Machinery, a division of Envirotech Corporation, a company organised under the Laws of The State of Delaware, U.S.A. and having offices at 3900 Essex Lane, suite 1200, Houston, Texas, U.S.A. (Hereinafter referred to as "EIMCO") and Elecon formed a joint venture company under the name and style of "EIMCO ELECON (INDIA) LIMITED" ("EIMCO ELECON") and Eimco Elecon was duly incorporated in India under the Indian Companies Act 1956 with registered office at Vallabh Vidyanagar, Gujarat on 31st July 1974.
- 2) Pursuant to the Promotion Agreement, Envirotech Corporation acquired 39% of the Capital Stock of Eimco Elecon.
- 3) Envirotech Corporation ("EVT") is a wholly owned subsidiary of Baker Hughes incorporated, having its head office at Houston, Texas, U.S.A. ("Baker Hughes").
- 4) Pursuant to an agreement dated 16th May 1989 (The "Sale Agreement") Oy Tampella Ab, the parent company of Tamrock Oy, agreed to acquire the mining equipment group of Baker Hughes, including the shares in Eimco Elecon owned by EVT.
- 5) The share holding of EVT in Eimco Elecon as at the date of said sale agreement was 386,100 equity shares of RS.10/- each (hereinafter referred to as "Eimco Elecon Holding").

Tamrock has sought to transfer the aforesaid shares in the name of Tamrock Great Britain Holdings Ltd. (TGBH), a company incorporated in England and Wales having its registered office at Royex House, Aldermanbury Square, London EC2V 7 LD.

- 6) Articles 11 (c) of the Promotion Agreement provides that neither Elecon nor Eimco shall sell its shares in Eimco Elecon to a third party except by an agreement between the parties.
- 7) Elecon has agreed to consent to the aforesaid purchase/transfer of Eimco share holding if Tamrock agrees to assume Eimco's/EVT's obligations arising under the promotion agreement, technical know-how agreements, this agreement and also as per letter dated 4th February 1992.
- 8) 36.42% of the present paid up capital of the company is held by Mr. Bhanubhai I Patel & his nominees (hereinafter referred to as "Bhanubhai Patel Group") who were also the actual promoters of Eimco Elecon & as such the consent of Bhanubhai Patel Group is also required to be obtained. Bhanubhai Patel Group has agreed to give its consent subject to the above.

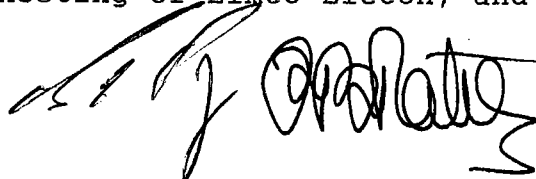


NOW THEREFORE, in consideration of the foregoing, it is hereby agreed as follows, subject to Tamrock/TGBH remaining registered holder of not less than 25.10% of total paid up capital of the company for the time being in force:-

- 1) Tamrock agrees to undertake, assume and perform, pay or discharge all obligations and liabilities of Eimco/EVT arising under the Promotion Agreement.
- 2) Tamrock agrees to render to Eimco Elecon Technical & other services in accordance with the provisions of technical know-how agreements of Eimco Elecon as under:-
 - a) Technical Know-How Agreement with Eimco UK dated 22.2.1988 for tunnelling loaders etc.
 - b) Technical Know-How Agreement with Eimco UK dated 24.2.1986 for drilling and roof bolting jumbos for mining.
 - c) Technical Know-How Agreement with Eimco Jarvis Clark dated 8.5.1989 for LHD model 921
 - d) Technical Know-How Agreement with Eimco Jarvis Clark dated 8.5.1989 for Off the Highway Dumpers.
- 3) Subject to Tamrock remaining registered holder of not less than 25.10% of the paid up capital of the company for the time being in force, Tamrock further agrees:-
 - a) That whenever there is a requirement for indigenous manufacture in India of any of the products of Tamrock and its group of companies, it would be dealt with exclusively through Eimco Elecon.
 - b) To ensure transfer of latest technology for each of those products to be manufactured at Eimco Elecon whenever there is requirement for such products in India. The terms of such technology transfer shall be such as shall be agreed upon between respective Tamrock Company and Eimco Elecon which shall not be less favourable than the technical know how agreements with Eimco UK/Eimco Jarvis Clark referred to in 2 above and as approved by Government of India where such approval is necessary.

The request for technology transfer shall take place after:-

- 1) Not less than 5 nos of each of the products or models shall have been sold in India;
- 2) A communication to that effect is received by Tamrock duly signed by Managing Director/Whole Time Director of Eimco Elecon before four weeks of Board Meeting of Eimco Elecon, and



- 3) The Board of Eimco Elecon has passed a resolution to commence manufacturing of that product or model.
- c) Sales, marketing and servicing anywhere in India of all such Tamrock products as well as the products of their group or subsidiary companies would be dealt with exclusively through Eimco Elecon on such terms and conditions as would be agreed upon between respective Tamrock company and Eimco Elecon. For Tamrock products concerning civil construction projects, Eimco Elecon shall agree to appoint sub-dealers in consultation with Tamrock.
- d) Eimco Elecon shall send enquiry to Tamrock group companies for all its requirement of imported components. Tamrock agrees to supply the components at the component price level (and not at normal spare parts prices) such components as shall be required by Eimco Elecon for local manufacturing of complete machines. Eimco Elecon shall also have absolute option to buy such components which are of proprietary nature direct from the original manufacturers abroad without any coverage whatsoever for Tamrock or its group or subsidiary companies. Where Tamrock or its group companies have quoted for such items, preference shall be given to them if their prices & other terms and conditions are competitive.
- e) Export of company's products to any country outside India, where Tamrock Companies have established net work of sales & service organisation, shall be only through such net work.

Provided that in the case of exports of products other than Air Operated Machines & Air Motors, the matters relating to names of countries, the models of products & the channels through which the exports are to be made shall be discussed between Tamrock & Eimco Elecon once in a year.

Tamrock shall intimate to the company the names of countries where it has such net work and the name & address of the distribution centres. The company shall enter into dealership/distributorship agreements with Tamrock/Distribution Centres on such terms & conditions as shall be mutually agreed upon between them.

The company shall be at liberty to export on its own its products to any country outside India by use of any bilateral trade agreements or credit lines which have been established between India and that country, or where Tamrock Companies have no such net work.



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- 4) (I) Tamrock, Elecon and Bhanubhai Patel Group are agreeable to Eimco Elecon going public by issue of new equity shares of the Company. So as to get its equity shares enlisted on the stock exchange and raise funds for augmenting its long term resources for working capital and other capital expenditure requirement.

- (II) The no. of equity shares to be issued to the public shall be such as should be necessary for complying with the listing requirement and as would be approved by controller of capital issues.

Provided that as a result of the public issue, the holding of Tamrock shall in no case be less than 25.10% of the issued capital after the public issue.

- 5) Tamrock, Elecon and Bhanubhai Patel Group agree that even after the public issue, they shall continue to support the existing selling agency agreements/arrangements made by Eimco Elecon in view of the fact that the selling agents have built up necessary infrastructure for the purpose of promoting sales and carrying out after sales services and have excellent rapport with the clients and whose after sales services are found to be satisfactory by the clients. Sales, marketing and servicing of Tamrock products will be as indicated in the foregoing Clause 3 (c).

Subject to Bhanubhai Patel Group remaining registered holder of at least 20% of the paid up share capital for the time being of the company and to the provisions of the Companies Act, the company shall appoint EMTICI ENGG. Ltd of the address Apeejay House (formerly known as Steel Crete House), 3 Dinshaw Vachha Road, Churchgate Reclamation, Bombay and/or their associate company/ies, as sole selling agents/sole distributors for the sale of the Company's products within the territory of India and subject to its/their performance remaining excellent shall continue the said appointment for a further period of 5 years at a time.

- 6) (I) Tamrock/TGBH, Elecon & Bhanubhai Patel Group (each of them for the purpose of this clause is referred to as the offerer) agree that in the event of any of the circumstances mentioned hereunder the shares held by the offerer in Eimco Elecon shall be dealt with as follows:-

- (a) Where the offerer is Tamrock/TGBH.

The offer shall be first made to Bhanubhai Patel Group and if it does not communicate its decision within 60 days of the offer, the offer shall be made to Elecon;



(b) Where the offerer is Elecon

The offer shall be first made to Bhanubhai Patel Group and if it does not communicate its decision in 60 days, the offer shall be made to Tamrock/TGBH;

(c) Where the offerer is Bhanubhai Patel Group

The offer shall be first made to Elecon & if it does not communicate its decision in 60 days, the offer shall be made to Tamrock/TGBH;

- (II) The offerer is at liberty to dispose off its said holding to any other person whether Indian resident or otherwise, if within 60 days of receipt by the second offeree of the written notice of the offerer, the second offeree has not communicated its decision to the offerer that it has accepted the offer for the disposal of the offerer's holdings. The offerer's communication shall be by registered airmail addressed to the last given address in writing by the parties hereto.

For the purpose of this clause the present addresses of the offerers are as under.

In case of Tamrock:

The President
Tamrock Oy
P.O.Box 100
SF-33311 Tampere
Finland

In the case of Elecon:

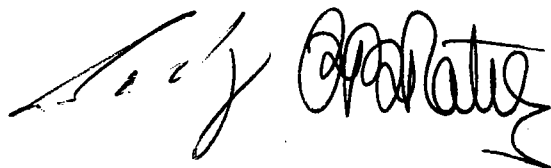
The Managing Director
Elecon Engineering Co., Ltd.
Vallabh Vidyanagar 388 120
Gujarat, India

In the case of Banubhai Patel Group:

Mr. B.I. Patel
Honest House
Bakrol Road
Vallabh Vidyanagar 388 120
Gujarat, India

(III) The following are the circumstances under which the offer as aforesaid shall be made:-

1. If the offerer desires to sell or dispose off or change the ownership of any of its share holding in Eimco Elecon.
2. In the case of Tamrock, if the whole or majority part of Tamrock's mining equipment business is



2. In the case of Tamrock, if the whole or majority part of Tamrock's mining equipment business is taken over by, or sold to, any third party or the present ownership in Tamrock changes hands.

3. In the case of Elecon or Bhanubhai Patel Group, if the whole of its business is taken over by, or sold to, any third party or the present ownership in Elecon or Bhanubhai Patel Group, as the case may be, changes hands.

Explanation : For the purpose of this clause, there shall be deemed to be change of ownership in the offerer, if and when there is a change in the controlling interest of the present management in the offerer. Provided that holding of the said shares by and in the name of one or more subsidiaries of the offerer shall not be deemed to be change in the ownership of the offerer's share holding in Eimco Elecon provided each of them agrees to observe the provisions of this agreement.

4. In the event of liquidation (voluntary or otherwise) or insolvency or bankruptcy of the offerer.

- (IV) a) In the event of the offeree accepting the offer as aforesaid the price of the shares shall be agreed to between the parties and shall be determined, for example, by Net Asset Value method.

- b) In the event of any dispute or difference arising between the parties hereto as to the price of the shares, such dispute or difference shall be referred to three arbitrators for settlement under the rules of conciliation and arbitration of The International Chamber of Commerce, Paris, France, which shall be deemed to have been incorporated herein. Arbitration shall be held in New Delhi, India.

- 7) In the event of Eimco Elecon going public, certain alterations are required to be carried out in the Articles of Association of Eimco Elecon. Annexed here to is a copy of the draft Amendments to the Articles. Tamrock, Elecon & Bhanubhai Patel Group agree to the said alterations being carried out by the company and that they shall vote in favour of the alterations at the General Meeting at which it would be proposed after the public issue proposals are finally resolved by the parties here to and the Board of Directors of Eimco Elecon have approved the same.

- 8) For the purpose of various provisions of the Articles of Association of the Company, holding of the shares of Eimco Elecon by Tamrock or transferee of Tamrock in accordance with the provisions of this

agreement shall be deemed to be holding by "EIMCO".

- 9) Tamrock agrees that while exercising the powers conferred on it by Clause 13 of this Agreement and Article 42 of the Articles of Association, it shall have prior consultation and concurrence of Elecon & Bhanubhai Patel Group.
- 10) Tamrock, Elecon and Bhanubhai Patel Group further agree that for any reason, the alterations proposed in Articles 65 & 74 as per annexure here to (relating to the nomination of a Permanent Director each by Tamrock, Elecon & Bhanubhai Patel Group and a Managing Director by Bhanubhai Patel Group) could not be incorporated in the articles or subsequently deleted from the articles, they shall support each other at all times to enable each of them to nominate such persons, so long as they remain registered holders of the shares specified in the respective articles.
- 11) Unless otherwise increased by an Extra Ordinary Resolution (Special Resolution) the Nominal Share Capital of the Company shall be RS.50 million divided into 5 million equity shares of RS.10/- each.

The Capital of the company shall, subject to it going public, be issued and subscribed in the following proportion:

By Eimco	25.10%
By Elecon, Bhanubhai Patel Group & Public	74.90%

- 12) (a) Subject to what has been provided hereinafter, the Board of Directors of the company shall comprise 10 directors. The no. of Directors of each group shall be in proportion to shareholding held by each group. Same policy shall apply in the event of any change of Director.
- (b) If and so long as Eimco, Elecon and Bhanubhai Patel Group shall remain registered holders of 25.10%, 10% and 20% respectively of the paid up share capital for the time being of the company, Eimco, Elecon and Bhanubhai Patel Group each shall be entitled to appoint one Director who shall not be liable to retire by rotation. Eimco or Elecon or Bhanubhai Patel Group, as the case may be, shall be entitled to terminate the appointment of such Director and to appoint another person in his place and stead or to fill the vacancy caused by his ceasing for any reason whatsoever to hold such status.
- (C) Either of the parties may at any time advise the other that it wishes that the appointment of any Director nominated by it for appointment/election other than

(C) Either of the parties may at any time advise the other that it wishes that the appointment of any Director nominated by it for appointment/election other than the Directors appointed by them by virtue of sub-clause (b) foregoing be terminated and another person be appointed/elected to fill the vacancy caused by any such Director ceasing for any reason whatsoever to hold such status and the parties agree to do all that may be required to give effect to such wish.

- 13) Subject to Eimco remaining registered holder of 25.10% of the paid up share capital for the time being of the Company, it shall be entitled to nominate and have a Director to act as Chairman thereof. The Chairman so nominated shall preside at the meetings of The Board of Directors and Shareholders of the Company and shall, in the event of equality of votes cast thereat, have a right to cast an extra vote. Eimco shall be entitled to terminate the appointment of a Chairman and to nominate in his place and stead another Chairman or to fill the vacancy in the office of the Chairman caused by any reason whatsoever.
- 14) Subject to Bhanubhai Patel Group remaining registered holder of at least 20% of the paid up share capital for the time being of the Company, it shall be entitled to nominate and have a Director to act as Managing Director thereof. Bhanubhai Patel Group may at any time advise that it wishes that the appointment of the Managing Director nominated by it be terminated and another person be appointed in his place and stead or that another Director may be appointed to fill the vacancy caused by the Managing Director nominated by it ceasing for any reason whatsoever to hold such status and the parties hereto agree to do all that may be required to give effect to such wish. The terms of employment of the Managing Director shall be such as may be agreed upon between the parties.
- 15) The Board of Directors of the Company shall appoint an Alternate Director to act for a Director during his absence for a period of not less than three months from the State in which meetings of the board are ordinarily held, such person as may be nominated by the party which shall have nominated the Director for whom the Alternate Director is sought to be appointed.
- 16) The Company shall bear all the expenses of visit to and stay in India of the Directors nominated by Eimco as are not resident in India to attend meeting(s) of its Board of Directors hereof. Provided that the Company shall not be called upon to bear expenses of more than three such visits in any financial year.



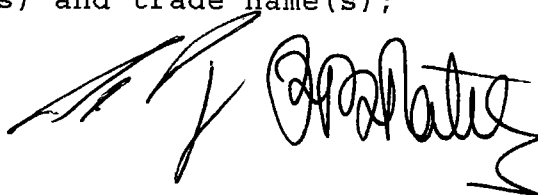
17) Any further issue of capital by the Company shall be subject to the provisions of section 81 of the Companies Act and the time limit referred to in sub-section (1) (b) thereof shall be 90 days.

18) Notwithstanding anything to the contrary contained in these agreements, or the Articles of Association of the company or any other law for the time being in force and so long as EIMCO, ELECON & BHANUBHAI PATEL GROUP each remaining registered shareholders of 25.10%, 10% & 20% respectively of the paid up capital of the company for the time in force, the Company shall not do any of the following things without the prior concurrence in writing of EIMCO, ELECON & BHANUBHAI PATEL GROUP:

1. Undertaking or investing in any activity involving substantial expansion and diversification;

Provided that if there is a requirement of any new product in respect of which the company has received enquiry and if such product does not fall within the current design or manufacturing range of any of the Tamrock Companies, or is not marketable on account of any reason such as prices, technical acceptability etc, Eimco Elecon shall be at liberty to develop its own design for such product & to manufacture & supply the same. As soon as such requirement is recieved by the company, the same shall be intimated to the Permanent Director nominated by Tamrock, who shall communicate to the company within 60 days of receipt of such intimation whether or not the particular product falls within the current design/manufacturing range of any of the Tamrock Companies. If no communication is received by the company in 60 days or if the communication states that the product does not fall under the current design/manufacturing range, the company shall be at liberty to design/manufacture & supply it on its own thereafter. The question as to whether or not the product is marketable shall be discussed between the Tamrock Permanent Director & Whole Time Director of the Company. In the case of exports of such new product the use Tamrock product names must be discussed and agreed between Tamrock and Eimco Elecon.

2. Substantially expanding the production capacity;
3. Setting up of sales organization, appointment of distributors, stockist, agents, etc;
4. Appointing and terminating the appointment of whole time director/s;
5. Appointing auditors;
6. Using any trade mark(s) and trade name(s);

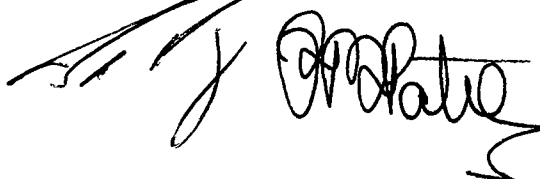


7. Communicating know-how to any party except for the purpose of the machining and/or fabrication of components of the company's products by sub-contractor, provided that any such sub-contractor, prior to any communication thereof to him, shall have undertaken in writing to keep such know-how confidential and not to communicate it to any third party. Nothing contained in this clause shall be deemed to authorise sub-contracting of completely finished assembly of the company's products or any major assembly thereof. This clause is valid even after Tamrock should cease to be registered shareholder of the company;
8. Increasing or reducing capital;
9. Shifting plant or setting up another plant;
10. Collaborating with or receiving know-how from anyone other than Tamrock for same or similar products;

Unless the decisions of the parties hereto are communicated to the company in 60 days from the date of receipt by the parties of the request such concurrence shall be deemed to have been given to the company on the expiry of 60 days.

For the purpose of this clause such request & concurrence shall be intimated to or by the permanent director or a director nominated by the parties hereto for the purpose.

- 19) So long as a party remains the registered holder of any part of the paid up share capital for the time being of the Company, it shall not be associated in any manner with any business in India competitive to the business thereof.
- 20) The Company shall be authorised to use "EIMCO" as part of its name but only so long as Eimco remains the registered holder of at least 25.10% of the paid up capital for the time being thereof.
- 21) Without prejudice to what has otherwise been stated herein, the Board of Directors will from time to time advise the Managing Director of the areas and matters in which it wishes to be advised and/or consulted, otherwise the Managing Director will have the rights and responsibilities normally exercised by a Managing Director in an Indian Company.
- 22) Without prejudice to what has otherwise been stated herein, the parties undertake that they shall vote at the general or class meetings of the shareholders of the company and to procure that the Directors nominated by them shall vote at the meetings of the Board of Directors thereof and otherwise act for the proper fulfilment of the intents of this agreement and that they shall do everything that may otherwise be required to the said end.



23) For purpose of this agreement and the Articles of Association of the Company the words "EIMCO", "ELECON" and "BHANUBHAI PATEL GROUP" shall have the following meaning :

A) "EIMCO" shall mean and include:

I) Eimco Mining Machinery International (EIMCO), formerly a part of Envirotech Corporation, U.S.A.,

II) Any body corporate in which "EIMCO" may amalgamate or merge,

III) Any third party to whom "EIMCO" shall have sold out its entire business,

IV) Any parent or holding company of "EIMCO" or body corporate or third party referred to in (I) (II) and (III) above or their subsidiaries,

B) "ELECON" shall mean and include :

I) Elecon Engineering Co. Ltd. (ELECON) a company registered under the Indian companies act, 1956 and having its registered office at Vallabh Vidyanagar 388 120, Gujarat,

II) Any body corporate in which "ELECON" may amalgamate or merge,


III) Any third party to whom "ELECON" shall have sold out its entire business,

IV) Any parent or holding company of "ELECON" or body corporate or third party referred to in (I) (II) and (III) above or their subsidiaries,

C) "BHANUBHAI PATEL GROUP" shall mean and include Mr. Bhanubhai I. Patel, residing at Honest House, Bakrol Road, Vallabh Vidyanagar 388 120, Gujarat, India and/or his relative/s and/or the companies controlled by Mr. Bhanubhai I. Patel and/or his relatives and/or the subsidiaries of such companies.


24. The provisions of this agreement shall supersede and substitute the provisions of the Promotion Agreement referred to above as from the date of this agreement.

25. Any dispute or difference arising between the parties hereto as to their respective rights or obligations in terms hereof or any question connected herewith or incidental hereto (including any dispute or difference as to the interpretation, existence or validity hereof), such dispute or difference shall be referred to arbitration in terms of clause 6 (IV) (b) herein above.

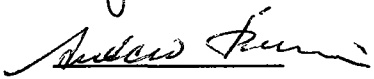


IN WITNESS WHEREOF the parties hereto have the day, the month and the hereinbefore written executed this agreement.

Signed for and on behalf
of Tamrock Oy:-


Ole Jakobsen

In the presence of :



Signed for and on behalf of
ELECON ENGG. CO. LTD. :


P.B. Patel

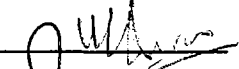
In the presence of :



Signed for and on behalf of
BHANUBHAI PATEL GROUP


B.I. Patel

In the presence of :



Signed for and on behalf of
TAMROCK GREAT BRITAIN HOLDINGS LIMITED
as a confirming party to this
Agreement. :


Ole Jakobsen

In the presence of :



ANNEXURE TO AGREEMENT DATED 28/2/92 BETWEEN TAMROCK OY AND ELECON,
& BHANUBHAI BATEL GROUP

ALTERATIONS TO ARTICLES OF ASSOCIATION

A) Substitute the Article 100 with the following Article:

"100 In the interpretation of these Articles, unless repugnant to the subject or context :-

a) "EIMCO" shall mean & include.

i) EIMCO MINING MACHINERY INTERNATIONAL (EIMCO), formerly a part of Envirotech Corporation, U.S.A.,

ii) Any body corporate in which EIMCO may amalgamate or merge

iii) Any third party to whom EIMCO shall have sold out its entire business.

iv) Any parent or holding company of EIMCO or body corporate or third party referred to in (i) (ii) & (iii) above or their subsidiaries.

b) "ELECON" shall mean & include :-

i) Elecon Engineering Co. Ltd. (ELECON) a company registered under the Indian Companies Act, 1956 & having its registered office at Vallabh Vidyanagar 388 120, Gujarat.

ii) Any body corporate in which ELECON may amalgamate or merge.

iii) Any third party to whom ELECON shall have sold out its entire business.

iv) Any parent or holding company of ELECON or body corporate or third party referred to in (i) (ii) & (iii) above or their subsidiaries.

c) "BHANUBHAI PATEL GROUP" shall mean and include Mr. Bhanubhai I. Patel, residing at Honest House, Bakrol Road, Vallabh Vidyanagar 388 120, Gujarat, India and/or his relative/s and/or the Companies controlled by Mr. Bhanubhai I. Patel and/or his relatives and/or the subsidiaries of such companies.

B) In Article 2, delete the definitions "EIMCO", "ELECON" and "NOMINEE".

C) In Article 42 (a)

i) Delete the words "and/or its Nominees".

ii) Delete the words "Subscribing to and"

iii) Substitute the figures "39%" with "not less than 25.10%."

D) Substitute Article 65 with the following article :

If and so long as EIMCO, ELECON and BHANUBHAI PATEL GROUP shall remain registered holders of 25.10%, 10% and 20% respectively of the paid up share capital for the time being of the company, EIMCO, ELECON and BHANUBHAI PATEL GROUP each shall be entitled to appoint one director who shall not be liable to retire by rotation. EIMCO or ELECON or BHANUBHAI PATEL GROUP as the case may be shall be entitled to terminate the appointment of such director and to appoint another person in his place and stead or to fill the vacancy caused by his ceasing for any reason whatsoever to hold such status.

Every such appointment or termination shall be effected by a notice in writing addressed to the Board of Directors of the company and shall take effect forthwith upon its being delivered to the Company.

E) Delete Article 67.

F) Substitute Article 74 with the following article.

Subject to the provisions of Companies Act 1956, if and so long as BHANUBHAI PATEL GROUP shall remain registered holder of not less than 20% of the paid up share capital for the time being of the company, BHANUBHAI PATEL GROUP shall be entitled to nominate and have a director for the time being of the company to act as Managing Director thereof.

The Board of Directors of the company may from time to time advise the Managing Director of the areas and matters in which it wishes to be advised and/or consulted and the Managing Director shall so advise and consult with the Board.

Subject to what has otherwise been stated in these articles and subject to the provisions of the Companies Act 1956, the terms of employment of the Managing Director shall be such as may be approved by the Board of Directors.

G) Substitute article 75 with the following:-

"No Director or other persons referred to in Section 314 of the Act shall hold an office or place of Profit under the company except as permitted by that Section".


H) In Article 77 (i):-

i) In the first line, delete the words "unless EIMCO & ELECON agree in writing to shorter notice".

ii) Add at the end, the following sentence :-

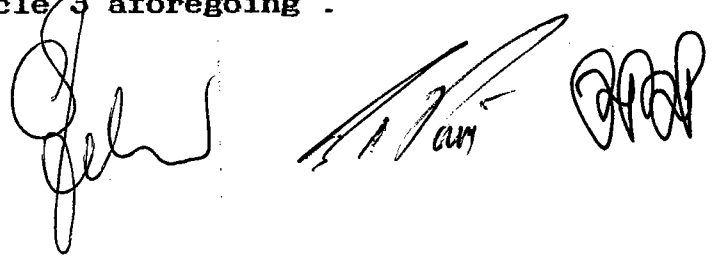
"Provided that with the consent of all the directors, meeting of the Board may be held at shorter notice".

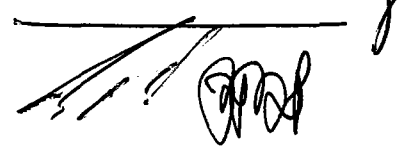
I) Delete Article 84



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- J) In Article 85 substitute the figures "30%" with "25.10%".
- K) Delete Article 3.
- L) Delete Article 5 (b) & renumber 5 (a) as 5.
- M) In Article 73, delete the words "and the Agreement referred to in Article 3 foregoing".



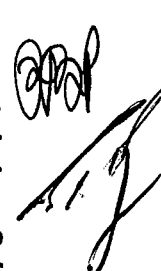
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REASON FOR ALTERING ARTICLES

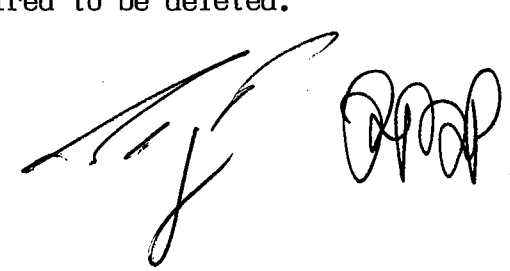
Explanatory statement pursuant to Section 173(2) of the Companies Act, 1956.

Resolution A & B

Your Company has been informed that Eimco Mining Machinery International, part of Envirotech Corporation Inc. USA (EVT) a Copromoter & holding 39% of the present paid-up equity share capital of your company has been acquired by Tamrock Oy, a ^{parent company} ~~part~~ of OY Tamepila, a Finnish Corporation togetherwith the shares held by EVT in Eimco Elecon. With the acquisition of Mining Equipment group from Baker Huges Inc. (the holding company of EVT), the position of Tamrock which is reported to be already a leader in Mining Equipment technology has become stronger and it is felt that the association of your company with Tamrock would benefit your company. Final approval of Reserve Bank of India for the transfer of the said shares to Tamrock Great Britain Holdings Ltd. is pending.



Article 85 of Articles of Association of the Company specifies that the word 'Eimco' can be used as part of Corporate name of your company if Eimco holds 39% of the paid-up share capital. It is therefore necessary to redefine 'EIMCO' so as to include a third party (Tamrock) to whom the business of Eimco is soldout. Resolution A is proposed for the said purpose. As Elecon Engg.Co.Ltd. & Mr.Bhanubhai I Patel Group holds 24.58% & 36.42% respectively of the present paid-up share capital of the Company, Elecon & Bhanubhai Patel group have also been defined as proposed in that resolution. Consequently Article 2 as proposed in Resolution B is required to be deleted.



Resolution C & D

Article 42 confers power on Eimco to nominate a Chairman & Articles 65 confers power on Eimco & Elecon each to nominate a permanent Director, so long as they, together with their respective nominees, hold 39% & 61% respectively of the paid-up capital of the company. As the term nominee is proposed to be deleted and in the event of the company going public, their percentage holding will be automatically reduced and in consideration of Eimco & Elecon including Bhanubhai Patel Group-the existing promoter shareholders consenting to the company going public by issue of fresh capital, it is proposed to alter the Article 42 & substitute Article 65 as proposed in Resolution C & D.

Resolution E

The present Article 67 sets out the names of 8 Directors who were Directors of the Company when that Article was first altered. Four of them have already ceased to be Directors. In order to obviate the need for frequent alterations of Articles whenever there is change in the composition of directors it is proposed to delete the Article as proposed in Resolution E.

Resolution F

Article 74 is proposed to be substituted to enable Bhanubhai Patel Group to nominate a Managing Director instead of by Elecon, as that group being a major shareholders would like to ensure continuity of efficient day to day management of the Company. This provision would be subject to all applicable provisions of Companies Act, 1956 regulating appointment & remuneration of Managerial personnel.

QAP 10/8
AP

Resolution G

The present Article 75 provides that for appointment of a Director in any capacity, the consent of Eimco & Elecon is necessary. In view of proposed Public issue and in view of the fact that Section 314 of the Companies Act, 1956 already provides restrictions on the appointment of Directors & their relatives (special resolution and in certain cases approval of Central Government), the present Article may be substituted with the Article as proposed in Resolution G.

Resolution H

The present Article 77 provides that unless Eimco & Elecon agrees in writing to shorter notice, 7 days clear notice of every Board meeting shall be given. In view of the proposed public issue, it is proposed that such short notice meeting can be convened if all the Directors so consent.

Resolution I

The present Article 84 provides that certain business can be transacted only with the approval of the Board or the consent of Eimco & Elecon.

It is proposed to ^{delete} substitute Article 84, ~~with the Article as proposed in Resolution H.~~

AP
QAP

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Amakata 01
F

Resolution J

Article 85 provides for use of name of "EIMCO" as part of corporate name of the Company so long as "EIMCO" holds 39% paid-up capital of the Company.

In the event of the Company going public, Eimco's holding in terms of percentage will be reduced to 25.10%. It is therefore, proposed to alter the Article 85 so as to provide that such use may be continued so long as Eimco holds 25.10% of the paid-up capital of the Company.

Resolution K

The present Article 3 specifies the names of the two promoters Eimco & Elecon. As it is not considered necessary to mention the names of promoters in the Article, it is proposed to delete it.

Resolution L & M

Article 5(a) gives a reference to Promotion Agreement contained in the original Article 3 which was earlier substituted. While substituting, corresponding changes in Article 5(b) and 73 were inadvertently left out which are now proposed to be deleted as in Resolution L & M.


[Signature] *Amakata*

REASON FOR ALTERING ARTICLES


Explanatory statement pursuant to Section 173(2) of the Companies Act, 1956.

Resolution A & B

Your Company has been informed that Eimco Mining Machinery International, part of Envirotech Corporation Inc. USA (EVT) a Copromoter & holding 39% of the present paid-up equity share capital of your company has been acquired by Tamrock Oy, a ~~parent company~~ ^{part} of OY Tamepila, a Finnish Corporation togetherwith the shares held by EVT in Eimco Elecon. With the acquisition of Mining Equipment group from Baker Hughes Inc. (the holding company of EVT), the position of Tamrock which is reported to be already a leader in Mining Equipment technology has become stronger and it is felt that the association of your company with Tamrock would benefit your company. Final approval of Reserve Bank of India for the transfer of the said shares to Tamrock Great Britain Holdings Ltd. is pending.



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Resolution C & D

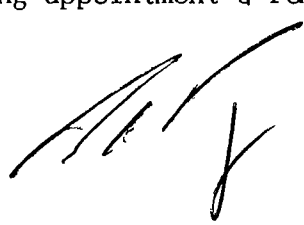
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Resolution G

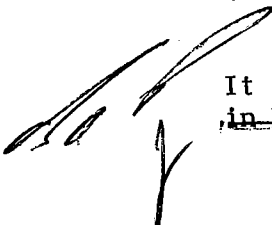
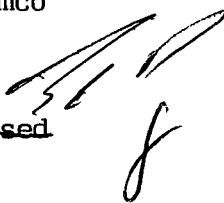
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Resolution I

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 It is proposed to ^{delete} substitute Article 84, ~~with the Article as proposed in Resolution H.~~ 

Resolution J

Article 85 provides for use of name of "EIMCO" as part of corporate name of the Company so long as "EIMCO" holds 39% paid-up capital of the Company.

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Resolution L & M

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A handwritten signature in black ink, appearing to be a stylized name, possibly "S. S. S.", written in a cursive script.