

Memorandum of Association
of
Haryana Agro-Industries Corporation Limited



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MEMORANDUM OF ASSOCIATION OF THE HARYANA AGRO INDUSTRIES CORPORATION LIMITED

I. The name of the Company shall be "The Haryana Agro Industries Corporation Limited".

II. The Registered office of the Company will be situated in the State of Haryana.

III. A. The main objects to be pursued by the Company on its Incorporation and objects ancillary to the attainment of the main objects are as under:-

(1) To undertake, assist, aid, finance and promote agro-industries, such as Poultry, Dairy, Land Development and Seed and other agro based industries and manufacture agricultural implements, agricultural machinery and other material and equipment required for these industries in Haryana and in India and to sell the product of these industries.

(2) To organize, conduct or manage engineering or repair shop or workshops of all descriptions and to manufacture, import, export, buy, sell or otherwise deal in workshops machinery, agricultural machinery implements, machines, tools and metals of all kinds.

(3) To promote or conduct any agricultural, commercial, or industrial enterprise, establishment, company or concern.

(4) To acquire, purchase, give or sell implements, machinery, equipment, appliances, tools etc., either on hire-purchase system or on payment by installments as may be of interest to the Company.

(5) To transact and carry on all of the kinds of Agency business of any other company or concern and to do and perform any all of the several duties, services and authorities appertaining to such officers, respectively, and to comply with and become bound by all restrictions, limitations and conditions appertaining to such offices respectively or imposed by the terms of any agreement or agreements entered into for any of the purposes aforesaid.

(6) To employ distributors, commission agents and to provide for the remuneration of such persons for their services by payment in cash or by the issue of shares, debentures or other securities of the Company.

(7) To manufacture, buy, sell exchange, install, work, alter, improve, manipulate, prepare for market, import or export and otherwise deal in all kinds of plant and machinery, wagons, rolling stock, apparatus, tools, utensils, substances, materials and things, necessary or convenient for carrying on any of the business the Company is authorized to carry on or which is usually dealt in by persons engaged in such business.

(8) To apply for tender, purchase, or otherwise acquire any contract, concessions for or in relation to the construction, executions, carrying out, equipment, improvement, management, administration or control of works and conveniences and to undertake, execute, carry out, dispose of, or otherwise turn to account the same.

(9) To acquire any shares, stocks, debentures, debenture stock, bonds, obligations or securities by original subscriptions participation in syndicates, tender, purchase, exchange or otherwise and to subscribe for the same, either conditionally or otherwise and to guarantee the subscription thereof and to exercise and enforce all rights and powers conferred by or incidental to the ownership thereof.

(10) To carry on the business of setting up, managing, operating, maintaining, the efficient retail network in public and private sector by owning/licensing/leasing/franchising to provide general public with quality consumable goods/healthcare products at best prices through procurement from agriculturists, agency business, other businesses including service related vendors and also includes imports, marketing, warehousing, cold storage, logistics, advertising, conceptualization, implementation, operation, leasing, modifications, alterations, quality labs and other activities incidental thereto.

(11) To provide consultancy services including plan, design, develop, establish, provide, maintain and perform engineering, technical, financial, management and all other connected advisory for development of processing units and description including but not limited to survey of all types, feasibility report, detailed project reports, techno economic investigations, site selections, supply of basic engineering and detailed design and working drawings, training personnel, use of information technology, application of GPS including but not limited to navigation, vehicle tracking, procurement and retail management system, customer information system, automated revenue collection system, warehousing management system, warehousing management system, security and surveillance to improve the efficiency for own business and otherwise.

B. Other objects not included in clause IIIA.

(1) To acquire and deal in and with the following property:-

(i) The business, property and liabilities of any company, cooperative society, firm or persons carrying on any business, which the Company is, authorized to carry on.

(ii) Lands, buildings, basements and other interests in immovable property.

(iii) Plant, machinery, personal estate and effects.

(iv) Patents patent rights, inventions, discoveries or designs

(v) Shares, stocks or securities in any company carrying on any business which this Company is entitled to carry on or of any other company or undertaking, the acquisition of which may seem likely or calculated directly or indirectly to promote or advance the interests of the Company or be advantageous or beneficial to the Company and to continue to hold any shares in any such Company hereafter acquired by the Company and to sell or dispose of and transfer any such shares, stocks or securities

(vi) To purchase, take on lease or acquire by exchange, on hire or otherwise, absolutely or conditionally solely or jointly with others any property rights of privileges which the Company may think necessary or convenient for the purposes of its business, and make contruct, maintain, work, hire, hold, improve, alter, manage, let, sell, dispose of, exchange, carry out or control factories, sheds, garages, accommodation of all kinds for land traffic lands, buildings, pipe-lines, warehouses, workshops, machinery. And apparatus, privileges or rights of any description or kind and other conveniences which may be calculated directly or indirectly to advance the Company's interest and to contribute to subsidize or otherwise assist or take part in the construction, improvement maintains, working, management, carrying out or control thereof.

(2) To perform or do all or any of the following operations acts, deeds or things:-

(i) To sell, let, dispose of or grant rights overall or any property of the Company.

(ii) To erect buildings plant and machinery for the purposes of the Company.

(iii) To undertake payment of all rents and performance and observance of all covenants, conditions and agreements contained in or reserved by any leases or leases which may be granted or assigned to, or may be otherwise acquired by the Company.

(iv) To borrow money or to receive money on deposit either without security or secured by debentures stock (perpetual or terminable), mortagage or other security charged on the undertaking or all or any of the assets of the Company including its uncalled capital and to increase, reduce or pay off any such securities, provided that the Company shall not carry on the business of Banking.

(v) To lend money with or without securities to parties having dealings with the company and to invest money of the Company in such manner (other than in the share of this Company) as the Company may think fit and to sell, transfer or deal with the same, provided that the Company shall not carry on the business of Banking.

(vi) To enter in to partnership or any arrangement for joint working sharing or pooling profit, amalgamation, union of interest, co-operation, joint venture, reciprocal concession or otherwise or to amalgamate with any person or Company carrying on, engaged in or about to carry on engage in any business undertaking or transaction which may seem capable of being carried on or conducted so as directly or indirectly to benefit the company.

(vii) To sell or dispose of the undertaking of the Company and all or any of the property or effects of the Company for cash or for stock, shares, or securities of any other Company or for other consideration as Company may think fit and in particular for shares, debentures or securities of any other Company having objects, altogether or in part similar to those of this Company.

(viii) To establish, provide, maintain and conduct or otherwise subsidise in India, educational and training institutions research laboratories and experimental workshops for scientific and technical researches, experiments and tests of all kind, to promote studies and researches, both scientific and technical , investigations and discoveries by providing, subsidising, endowing or assisting laboratories, workshops, libraries, lectures, meetings and conferences and to enter into any agreement with Government or any other party for the purposes aforesaid.

(ix) To obtain, apply for or arrange for the issue or enactment of an Order or Act of Legislature or Act of Authority in India for enabling the Company to obtain powers, authorities, protection and financial and other help necessary or expedient to carry out any of the objects of the Company or for any other purpose which may seem expedient and to oppose any proceedings or applications or any other endeavors, steps or measures which seem calculated directed or indirectly to prejudice the Company's interest.

(x) To enter into any agreement with the Government of India or of a State or with authorities, supreme national local, municipal or otherwise or with land holders, or with any persons for the purpose of directly or indirectly carrying out the objects of the Company or any of them or furthering the interests of the Company, subsidies, or its members and to obtain from any such Government, authority or persons any charters, subsidies, loans, indemnities, grants, contracts, decrees, rights, sanctions, privileges, liceces or concessions whatsoever (whether statutory or otherwise) which the Company may think desirable bto obtain and carry out and do exercise, and comply with any such arrangements, charters, grants, contracts, decrees, right, sanctions, privileges, licences or concessions and the terms an conditions thereof and in particular to comply with any conditions for the sharing of profits of the Company with any such Government, authority or persons or for distributing dividends on shares of the Company.

(xi) To provide for the amelioration and welfare of persons employed or formerly employed by the Company and the wives, families, dependents Or connections of such persons by building or contributing to the building of houses, dwellings, by grant of money, persons, allowances, bonus or other payments or by creating and from time to time subscribing or contributing to a Provident Fund and establishing and maintaining other Associations, Institution Funds or Trusts or by helping persons employed by the Company to effect or maintain insurance on their lives by

contributing to the payment of premium or otherwise.

(xii) To apply the assets of the Company in any way in or towards the establishment, maintenance or extension of any Association, Institution or Fund in any way connected with any particular trade or business or with trade or commerce generally including any association, institution or fund for the protection of the interests of masters owners and employers against loss by bad debts, strikes, combinations, fire accidents or otherwise.

(xiii) In winding up, to distribute any of the property of the Company among the members in specie or kind.

(xiv) To undertake a systematic study of supply and production trends in the agro-industrial activities of interest to the Company.

(xv) To pay for any properties, rights or privileges acquired by the Company, either in shares of the Company, or partly in shares and partly in cash or otherwise.

(xvi) To create any reserve fund, sinking fund, insurance fund or any special or other fund whether for repairing, improving, extending or maintaining any of the property of the Company or for redemption of debentures or redeemable preference shares or for special dividends or crops insurance fund etc for the welfare of farmers or equalizing dividends or for any other purpose whatsoever, and to transfer any such fund or part thereof to any of the other funds herein mentioned.

(xvii) To make, draw, accept, endorse, discount, execute, and issue cheques, promissory notes, bills of lading, warrants, debentures and other negotiable or transferable instruments.

(xviii) To accumulate funds and to invest or otherwise employ moneys belonging to or with the Company in the purchase or acquisition of any shares, securities or other investment whatsoever, whether movable or immovable upon such terms as may be thought proper and from time to time to vary all or any such investments in such manner as the Company may think fit.

(xix) To promote, subscribe for, underwrite, purchase or otherwise acquire and to hold, dispose of and deal in the shares, stocks, securities and evidences of indebtedness or the rights to participate in profits or other similar documents, issued by any Government authority, corporation, local body, any company or body of persons, and any options or rights in respect thereof.

(xx) To adopt such means of making known the business of the Company or of any company in which this Company is interested as may seem expedient.

(xxi) To pay all the costs, charges and expenses of and incidental to the promotion, formation, registration and establishment of the Company and the issue of its capital and remunerate or make donations to (by cash or other assets or by the allotment of fully or partly paid shares or by a call or option on shares debentures, stock or securities of this or any other Company or in any other manner, whether out of the Company's capital or profits or otherwise) any person or persons company for services rendered or to be rendered in the conduct of its business or in introducing any property or business to the company or for any other reason which the Company may think proper.

(xxii) To guarantee the payment of money secured by or payable under or in respect of promissory notes, bonds, debentures, debenture stock, contracts, mortgages, charges, obligations, instruments and securities of any company or of any authority, supreme, municipal, local or otherwise or of any person whosoever, whether incorporated or not incorporated and generally to guarantee or become sureties, for the performance of any contracts or obligations.

(xxiii) To dedicate, present or otherwise dispose of either voluntarily, with or without consideration, or for value any property of the Company deemed to be national, public or local interest, to any national trust, public body, museum, corporation or authority or any trustees for or on behalf of the same or of the public.

(xxiv) To establish and maintain agencies, branch places and local registers to procure registration or recognition of the Company and to carry on business in any part of the world and to take such steps as may be necessary to give the company such rights and privileges in any part of the world as are possessed by local companies or partnerships or as may be thought desirable.

(3) To do all such other things as are incidental or conducive to the attainment of the above objects through whatsoever agency. And it is hereby declared that the word Company in this clause except where it refers to the Haryana Agro-Industries Corporation Limited shall be deemed to include any partnership or other body of persons whether incorporated or not whether domiciled in India or elsewhere and the intention is that the objects specified in each paragraphs of this clause shall, except where otherwise expressed in such paragraphs, be in no-wise limited or restricted by reference to or inference from the terms of any other paragraph or the name of the Company.

IV. The objects of the company extended to Haryana and other States in India and any part of the world.

V. The liability of the members is limited.

VI. The share capital of the Company is rupees ten crores divided into ten lacs (10,00,000) equity

shares of Rs. 100 each with the rights, privileges and conditions attached thereto as are provided by the Articles of Association of the Company for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company for the time being and to vary, modify, or abrogate any such rights, privileges or conditions in such matter as may be provided by the Articles of Association of the Company but subject always to the provisions of the Company Act I of 1956 including amendments thereto from time to time.

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

Names, addresses, designation and occupation of subscribers	Number of shares taken by each subscriber	Signature of each subscriber	Witness to Signature
1	2	3	4
1. Governor of Haryana	4996 shares of Rs. 100 each (Four thousand nine hundred and ninety-six shares of Rs. 100 each)	Sd/-R. N. Chopra, Commissioner, Agricultural Production and Rural Development Haryana and Secretary to Government, Haryana, Agriculture Department. For and on behalf of Governor of Haryana.	Sd/- Vineet Nayyar, Deputy Secretary, Development-I to Haryana Government
2. Shri R. N. Chopra, I.A.S., son of Shri Kanshi Ram Chopra, Commissioner, Agricultural Production and Rural Development and Secretary to Government Haryana, Agriculture Department, 74, Sector 5, Chandigarh	One share of Rs. 100 each	Sd/- R.N. Chopra	Sd/-Vineet Nayyar, Deputy Secretary, Development-I to Haryana Government
3. Shri B.S. Manchanda, I.A.S, son of Shri G.S. Manchanda, Commissioner for Planning and Finance, Haryana Government, 140, Sector 8-A, Chandigarh	One share of Rs. 100 each	Sd/- B.S. Manchanda	Sd/-Vineet Nayyar, Deputy Secretary, Development-I to Haryana Government
4. Shri P N. Sahni, I.A.S., son of Shri Gurdas Ram Sahni, Director of Industries and Additional Secretary to Haryana Government, Industries and Industrial Training Department, 594, Sector 16-D, Chandigarh.	One share of Rs. 100 each	Sd/- P.N. Sahni	Sd/-Vineet Nayyar, Deputy Secretary, Development-I to Haryana Government
5. Shri Rattan Singh Dayal, son of Risaldar Ram Singh, Director, Animal Husbandry, Haryana, 1523, Sector 18-D. Chandigarh	One share of Rs. 100 each	Sd/- Rattan Singh	Sd/- Satya Bhushan, Superintendent, F.C.'s Office Haryana
Total	...5,000 shares (Five thousand shares)		

Dated this Day of 29th March 1967

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Articles of Association
of
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ARTICLES OF ASSOCIATION
OF
THE HARYANA AGRO-INDUSTRIES CORPORATION LIMITED.

INTERPRETATION

1. In these Articles unless the context otherwise requires :— Interpretation Clause.

(a) "The Company" means the Haryana Agro-Industries Corporation Limited. "The Company".

(b) "The Act" means the Companies Act (I of 1956), as amended from time to time. "The Act".

(c) "The Director" means the Director for the time being of the Company and includes an ex Officio Director. "The Directors".

(d) "Month" means a month reckoned according to British Calendar. "Month".

(e) "The Office" means the Registered Office for the time being of the Company. "Office".

(f) "Register" means the Register of Members to be kept pursuant to the Companies Act, 1956. "Register".

(g) "The Seal" means the Common Seal of the Company. "The Seal".

(h) "Dividend" includes bonus. "Dividend".

(i) "The Governor" means the Governor of Haryana. "The Governor".

(j) i. "The Chairman" means the Chairman of the Board of Directors for the time being of the Company. "The Chairman".

(j) ii. "Vice Chairman" means Vice-Chairman of the Board of Directors for the time being. "The Vice-Chairman".

(k) "Writing" shall include printing and lithography and any other mode or modes of representing or reproducing words in a visible form. "Writing".

(l) Words importing the singular number only shall include the plural number and vice versa. "Number".

(m) Words importing masculine gender only shall include the feminine gender. "Gender".

(n) Words importing person shall include corporations and bodies corporate. "Persons".

Subject as aforesaid, any words or expressions defined in the Act shall except where the subject or context forbids bear the same meaning in these Articles. "Expression in the Act to bear the same meaning in Articles".

2. Subject as hereinafter provided the regulations contained in Table A being Schedule I of the Companies Act, 1960 (hereinafter referred to as Table A) shall apply to Company, in so far as they may be applicable to a private Company. Table 'A' to apply.

3. The regulations for the management of the Company and for the observance of the members thereof and their representatives shall, subject as aforesaid and to any exercise of the statutory powers of the Company in reference to the repeal or alteration of or addition to its Articles of Association by Special Resolution...as prescribed or permitted by the Act, be such as are contained in these Articles. Company to be governed by these articles.

4. The Company is a private company within the meaning of Section 3 (1) (111) of the Companies Act, 1956 and accordingly :— Company to be a Private Company.

(a) restricts the right to transfer its shares, in the manner and to the extent hereinafter appearing;

(b) limits the number of its members to fifty not including :—

(i) persons who are in the employment of the company; and

(ii) persons who having been formerly in the employment were members of the company, while in that employment and have continued to be members after the employment ceased; and

(c) prohibits any invitation to the public to subscribe for any share in or debentures of the company.

Provided that where two or more persons hold one or more shares in the company jointly, they shall for the purposes of this definition, be treated as a single member.

SHARE CAPITAL

5. The capital of the Company is rupees ten crores divided into ten lacs Equity Shares of rupees one hundred each. Capital.

6. Subject to the provisions of the Act and these Articles and to the policy directions of the Governor, the shares shall be under the control of the Board of Directors who may allot or otherwise dispose them of to such persons on such terms and conditions as they think fit. Allotment of shares.

7. No, shares shall be offered for subscription to the public or any other Corporate body except an Institution sponsored by the State or Central Government.

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8. The shares shall be payable as under :—

With application ...Rs. 25/- per share

On allotment ...Rs. 25/- per share

Directors may allot share as fully paid up.

9. Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the capital of the Company as payment or part payment for any property (including goodwill of any business) sold or transferred, goods or machinery supplied or for services rendered to the Company in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid up or partly paid up otherwise than in cash, and if so issued, shall be deemed to be fully paid up or partly paid up shares as aforesaid.

10. No shares shall be allotted to a minor or to a person of unsound mind.

Acceptance of Shares.

11. (1) The subscribers of the Memorandum of the Company shall be deemed to have agreed to become members of the Company, and on its registration shall be entered as members in its Register of Members.

(2) Every other person who agrees in writing to become a member of the Company and whose name is entered in its Register of Members, shall be a member of the Company.

Return of Allotment.

12. As regards all allotments made from time to time, the company shall duly file with the Registrar of the Companies a return of allotment as required by section 75 of the Act.

Deposit and Calls, etc. to be debt payable immediately.

13. The money (if any) which the Directors shall on the allotment of any shares being made by them, required or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them, shall, immediately on the entry of the name of the allottee in the Register of Members as the holder of such shares, become a debt due to and recoverable by the Company, from the allottee thereof and, shall be paid by him accordingly.

Instalments on shares to be duly paid

14. If by the conditions of the allotment of any share of the whole or part of the amount or issue price thereof shall be payable by instalment, every such paid. instalment shall when due be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative.

Register of Members

15. The Company shall cause to be kept a Register of Members and an Index of Members in accordance with the Act.

Register of Members open to inspection.

16. The Register of members and the Index of members shall be open to inspection of members without any payment and to inspection of any other persons on payment of rupee one or such lesser sum as the Company may prescribe for each inspection. Any such member or person may take extracts therefrom.

The Company to send extracts of register, etc.

17. The Company shall send to any member on request extracts of the Register of Members or of the list and summary required under the Act on payment of thirty-seven paise for every hundred words or fractional part hereof. The extracts shall be sent within a period of ten days, exclusive of non-working days and days on which the transfer books of the Company are closed, commencing on the day next after the day on which the member's request is received by the Company.

Shares may be issued subject to different conditions as to calls, etc.

18. Where any calls for further share capital are made on shares, such call shall be made on a uniform basis on all shares falling under the same class.

The shares of the same nominal value on which different amounts have been paid up shall not be deemed to fall under the same class.

Company not bound to recognize any interest in shares other than that of the registered holders.

19. Save as herein otherwise provided the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or as by law required) be bound to recognise any benami trust or equity or equitable contingent or other claim to or interest in such share on the part of any other person whether or not it shall have express or implied notice thereof.

Company's funds may not be applied in purchase of or lent on shares of the Company.

20. No parts of the funds of the Company shall be employed in the purchase of or in loan upon the security of its own shares.

CALLS

Call.

21. The Directors may from time to time make such calls as they think fit upon the members in respect of all moneys unpaid on the shares held by them respectively and not by a conditions of allotment thereof made payable at fixed times. Each

member shall pay the amount of every call so made on him to the Company at the times and places specified by the Directors.

22. (1) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at five per cent per annum or at such lower rate, if any, as the Board may determine. — Interest on calls.

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

23. The Directors may, if they think fit, receive from any member willing to advance the same, all or any part of the moneys unpaid in respect of the shares held by him beyond the sums actually called for; and upon the money so paid in advance or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate not exceeding, unless the Company in general meeting shall otherwise direct, six per cent per annum, as the member paying such sum in advance and the Directors agree upon; or the Directors may agree with such member that the member may participate in profits upon the amount so paid or satisfied in advance and the Directors may at any time repay the amount so advanced upon giving to such member three month's notice in writing. — Payments in anticipation of calls may carry interest.

24. Any money due from the Company to the shareholder may without the consent of shareholder be applied by the Company in or towards payment of any money due from him to the Company for calls or otherwise. — Money due to shareholder by the Company.

CERTIFICATES

25. The certificates of title to share shall be issued under the seal of the Company, which shall be affixed in the presence of:— — Certificate of Shares.

(i) two Directors (one of whom shall be the Managing Director of the Company): and

(ii) the Secretary or some other person appointed by the Board for this purpose.

The two Directors and the Secretary or other person shall sign the share certificates. It shall be a condition of issue of shares that the certificate of such shares shall be ready for delivery within three months of the allotment or within two months after application for registration of the transfer of such share, as the case may be.

26. Every member shall be entitled without payment to one certificate for all the shares registered in his name or if the Directors so approve (upon paying such fee or fees or at the discretion of the Director without payment of fees as the Directors may from time to time determine) to several certificates each or one or more shares. Every certificate of shares shall specify the number and denoting number of the shares in respect of which it is issued and the amount paid thereon. — Member's right to certificates.

27. If a share certificate is defaced, lost or destroyed it may be renewed on payment of such fee, if any, not exceeding fifty paise, and on such terms, if any, as to evidence and indemnity and the payment of out-of-pocket expenses incurred by the Company in investigating evidence as the Directors may think fit. — Issue of new certificates in place of one defaced lost or destroyed.

FORFEITURE, SURRENDER AND LIEN

28. If a member fails to pay any call on or before the day appointed for the payment of the same the Directors may at any time thereafter during such time as the call or any part thereof remains unpaid serve a notice on him requiring payment of so much of the call or instalment as is unpaid together with any interest that may have accrued. — If call or instalment not paid, notice must be given.

29. The notice shall name a day not being less than fifteen days from date of receipt of the notice, on or before which the payment required by the notice is to be made. The notice shall also state that in the event of non-payment on or before the day so named the shares in respect of which the call was made will be liable to be forfeited. — Form of notice.

30. 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 before the payment required by the notice has been made be forfeited by a resolution of the Directors to that effect. — In default of payment shares to be forfeited.

31. When any share has been so forfeited, an entry of the forfeiture with the date thereof shall be made in the register of members. — Entry of forfeiture in Register of members.

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

32. A forfeited share may be sold, otherwise disposed of on such terms and in such manner as the Directors may think fit.

Power to annual forfeiture.

33. The Directors may at any time before any share so forfeited shall have been sold or otherwise disposed of annul the forfeiture on such terms as they may think fit.

Shareholders still liable to pay money owing at time of forfeiture and interest.

34. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares but shall, notwithstanding the forfeiture remain liable to pay to the Company all moneys which at the date of forfeiture were presently payable by him to the Company in respect of the shares. The liability of such persons shall cease, if and when the Company shall have received payment in full or all such moneys in respect of the shares.

Declaration of forfeiture

35. (1)A duly verified declaration in writing that the declarant is a director, the manager, or the secretary of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share.

(2) The Company may receive the consideration, if any, given for the share on any sale or disposal thereof and the Directors may empower or authorise any of them to execute a transfer of the share in favour of the person to whom the share is sold or disposed of.

(3) The transferee shall thereupon be registered as the holder of the share.

(4) The transferee shall not be bound to see to the application of the purchase money, 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 or disposal of the shares.

Provision regarding forfeiture to apply in the case of non-payment of sums payable at a fixed time.

36. The provisions of these articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of share, become payable at a fixed time, whether on account of the nominal value of the share or by way of premium as if the same had been payable by virtue of a call duly made and notified.

TRANSFER AND TRANSMISSION OF SHARES

Register of Transfers.

37. The Company shall keep a "Register of Transfers" and therein shall fairly and distinctly record the particulars of every transfer of transmission of any share.

Forms of Transfers.

38. The instrument of transfer of any share shall be in writing in the prescribed form No. 7-B, pursuant to Section 108 (IA) of the Act.

To be executed by transferor and transferee.

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

Transfer and Transmission of Shares.

40. The right of members to transfer their shares shall be restricted as follows :—

(a) A share may be transferred by a member or other persons entitled to transfer only to a person approved by the Governor of the State holding shares.

(b) Subject as aforesaid and subject to the provisions of section 111(8) of the Act the Directors may, in their absolute and uncontrolled discretion, refuse to register any proposed transfer of shares.

Custody of transfer.

41. The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All the instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all transfer deeds lying with the Company after such period as prescribed.

Closure of transfer books.

42. The Directors shall have power on giving seven days notice by advertisement as required by Section 154 of the Act to close the register of members or debenture members of company for such period or periods of time not exceeding the whole forty five days in each year but not exceeding thirty days at a time as they may deem fit.

Transfer of shares on the death of Members.

43. (i) On the death of a member, the survivor or survivors where the members was a joint-holder, and his legal representatives where he was a sole-holder, shall be the only person recognised by the Company as having any title to his interest in the share.

(ii)Nothing in the above clause shall release the estate of a joint- holder from any

liability in respect of any share which had been jointly held by him with other persons.

Transfer of shares of Insolvent Member.

44. The provisions of regulations 25 to 28 of Regulations of Table A appended to the Act, shall apply in so far as these relate to the transmission of share of a deceased member or a person declared insolvent by a court of competent jurisdiction.

The Company not liable for disregard of a notice prohibiting registration of transfer.

45. The Company shall incur no liability or responsibility what-so-ever in consequence of the Directors' registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the said shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any such notice which may be given to it of any equitable, right title or interest or be under any liability whatsoever for refusing or neglecting so to do though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Directors shall so think fit.

INCREASE, REDUCTION AND ALTERATION OF CAPITAL

Increase of Capital

46. Subject to the approval of the Governor, the Directors may, with the sanction of the Company in General meeting, increase the share capital by the creation of new shares of such amount as the resolution shall prescribe.

On what condition new share may be issued.

47. Subject to such direction as may be issued by the Governor in this behalf and subject to the provisions of the Act, new shares shall be issued upon such terms and conditions and with such rights and privileges attached thereto as the general meeting resolving upon the creation thereof shall direct and if no direction be given as the Directors shall determine.

Provided that no shares (not being preference shares) shall be issued carrying voting rights or rights in the Company as to dividend, capital or otherwise which are disproportionate to the rights attaching to the holders of other shares (not being preference shares).

When to be offered to existing member.

48. The new shares (resulting from an increase of capital as aforesaid) may be issued or disposed of in accordance with the provision of Article 11.

Same as original capital

49. Except so far as otherwise provided by the conditions of issue or by these Articles, any capital raised by creation of new shares shall be considered part of the original capital and shall be subject to the provision herein contained with reference to the calls and instalments, transfer and transmission, forfeiture lien surrender, voting and otherwise.

Reduction of Capital

50. Subject to the provisions of Section 100 to 105 of the Act and to such directions as may be issued by the Governor in this behalf, the Company may from time to time by Special Resolution reduce its share capital (including the Capital Redemption Reserve Fund, if any), in any way authorised by law and in particular may pay off any paid-up share capital upon the footing that it may be called up again or otherwise and may if and so far as is necessary, alter its memorandum by reducing the amount of its share capital and of its shares accordingly.

Consolidation, Division and sub-division

51. Subject to the approval of the Governor, the Company may in General Meeting alter the conditions of its Memorandum as follows:

(a) Consolidate and divide all and any of its share capital into shares of larger amounts than its existing shares.

(b) Sub-divide shares or any of them into shares of smaller amounts than originally fixed by the Memorandum subject nevertheless to the provisions of clause (d) of sub-section (I) of section 94.

(c) Cancel any shares which at the date of passing of the resolution, have not been taken or agreed to be taken by any person.

MODIFICATION OF CLASS RIGHTS

Power to modify rights.

52. If at any time the capital of the Company by reason of the issue of preference shares otherwise, is divided into different classes of shares, all or any of the rights and privileges attached to each class may subject to the approval of the Government and also the provisions of Sections 106 and 107 of the Act be varied with the consent in writing of the holders of not less than three fourths of the

issued shares of that class or with the sanction of a Special Resolution passed at a separate General Meeting of the holders of the issued shares of that class and all the provisions hereinafter contained as to General Meeting shall mutatis mutandis apply to every such meeting except that the quorum thereof shall be members holding or representing by proxy one-fifth of the nominal amount of the issue of shares of that class.

BORROWING POWERS

Power to borrow.

53. Subject to the provisions of section 292 and 293 of the Act and subject to the approval of the Governor, the Directors may, from time to time, borrow and/or secure the payment of any sum or sums of money for the purpose of the Company, by means of a resolution passed at a meeting of the Board.

Conditions on which money may be borrowed.

54. The Directors may subject to the approval of the Governor raise and secure the payment of such sum or sums in such manner and upon such terms and conditions in all respects as they think fit and in particular by the issue of bonds perpetual or redeemable debentures or debenture stock or any mortgage or charge or other security on the undertaking of the whole or any part of the property of the Company (both present and future) including its uncalled capital for the time being.

Bonds, debentures, etc. to be subject to control of Directors.

55. Any bonds, debentures, debenture stock or other securities issued or to be issued by the Company shall be under the control of the Directors who may issue them upon such terms and conditions and in such manner and for such consideration as they shall consider beneficial to the Company.

Securities may be assigned free from equities.

56. Debentures, debenture stock, bonds or other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

Issue at discount, etc. or with special privileges.

57. Subject to the provisions of the Act and the approval of the Governor, any bonds, debentures, debenture stock or other securities may be issued at a discount, premium or otherwise and with any special privileges as to redemption, surrender, drawings and allotment of shares.

Mortgages to uncalled capital.

58. If any uncalled capital of the Company is included in or charged by any mortgage or other security, the Directors may be instrument under the seal authorise the person in whose favour such mortgage or security is executed or any other person in trust for him make calls on the members in respect of such uncalled capital and the provisions herein before contained in regard to calls shall mutatis mutandis apply to calls made under such authority and such authority may be made exerciseable either conditionally or unconditionally and either presently or contingently and either to the exclusion of the Director's power or otherwise and shall be assignable if expressed so to be.

Indemnity may be given.

59. If the Directors or any of them or any other person shall become personally liable for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or persons so become liable as aforesaid from any loss in respect of such liability.

Register of mortgage to be kept.

60. The Directors shall cause a proper register to be kept in accordance with the provisions of Section 143 of the Act of all mortgage debentures and charges specifically affecting the property of the Company and shall cause the requirements of Sections 124-144 of the Act in that behalf to be duly complied with so far as they fall to be complied with by the Company.

GENERAL MEETING

General Meetings.

61. The first annual general meeting of the Company shall be held within a period of not more than eighteen months from the date of its incorporation. The Company shall in each subsequent year, hold in addition to any other meeting, annual general meeting and shall specify the meeting as such in the notice calling it and not more than fifteen months shall elapse between the date of one annual general meeting of the Company and that of the next, except, when for any special reason, the time for holding the annual general meeting (not being the first annual general meeting) has been extended by the Central Government by a period not exceeding three months.

The above-mentioned meeting shall be called Annual General Meeting and all other General Meetings shall be called Extraordinary General Meetings.

Every annual general meeting shall be called for a time during business hours, on a day that is not a public holiday and shall be held either at the registered Office of the Company or at such other place as the Central Government may approve in this behalf.

Annual return.

62. An annual return prepared in accordance with Section 159 of the Act, along with the certificate referred to in Section 161 of the Act shall be filled with the Registrar of Companies within sixty days from the day on which the general meeting is held.

Directors may call Extraordinary Meetings.

63. The Directors may call an Extraordinary General Meeting whenever think fit.

Calling of Extra-ordinary General Meeting on requisition.

64. (i) Subject to the provision of Section 169 (4) (a) of the Act the Directors shall on the requisition of the holders of not less than onetenth of the paid up share capital of the Company upon which all calls or other sums then due have been paid forthwith, proceed to call an Extraordinary General Meeting of the Company.

(ii) The requisition must state the objects of the meeting and must be signed by the requisitionists and deposited at the Registered Office of the Company and may consist of several documents in like form, each signed by one or more requisitionists. In case of joint holders of share all such holders shall sign the requisition.

(iii) If the Directors do not proceed within twenty-one days from the date of the deposit of the valid requisition being so deposited to cause a meeting to be called on a day not later than forty-five days from the date of deposit of the requisition, the requisitionists or a majority of them in value may themselves call the meeting but in either case, any meeting, so called, shall be held within three months from the date of the deposit of the requisition.

(iv) Any meeting called under this Article by the requisitionists shall be called in the same manner as nearly as possible, as that in which meetings are to be called by the Directors.

(v) Any reasonable expenses incurred by the requisitionists by reason of the failure of the directors duly to call a meeting shall be repaid to the requisitionists by the Company and any sum too repaid shall be retained by the Company out of any sums due or to become due from the Company by way of fees or other remunerations for their services to such of the Directors as were in default.

Notice of meeting to be given.

65. Twenty-one days' notice at least of every General Meeting Annual or Extraordinary and by whomsoever called specifying the date, hour and place of the meeting and with a statement of the business to be transacted at the meeting (and in case it is proposed to pass a Special Resolution the intention to propose such resolution as a Special Resolution) shall be given to the persons entitled under and in the manner provided by the Act and these Articles.

Shorter notice by consent.

66. With the consent of all members entitled to receive notice of a meeting or to attend and vote at any such meeting a meeting may be convened by giving shorter notice than twenty-one days.

Omission to give notice not to invalidate resolution passed.

67. The accidental omission to give notice to or the non-receipt thereof by any member shall not invalidate any resolution passed at any such meeting.

Quorum.

68. Two members present in person shall be a quorum for a general meeting.

Business of ordinary meeting.

69. The business of an annual general meeting shall be to receive and consider the profit and loss account, the balance sheet, and the report of the Directors and the Auditors, to declare dividends, and to appoint directors in the places of those retiring. All other business transacted at such meeting and all business transacted at an extraordinary meeting shall be deemed special.

Right of the Governor to appoint any person as his representative.

70. (i) The Governor, so long, as he is a share-holder of the Company, may from time to time appoint one person (who need not be a member of the Company) to represent him at all or any meeting of the Company.

(ii) Any person appointed under Sub Article (i) of this Article who is personally present at the meeting shall be deemed to be a member entitled to vote and be present in the person and shall be entitled to represent the Governor at all or any such meetings and to vote on his behalf whether on a show of hands or on poll.

(iii) The Governor may, from time to time, cancel any appointment made under clause (i) of this Article and make fresh appointment.

(iv) The production at the meeting of an order of the Governor evidenced as provided in the Constitution of India shall be accepted by the Company as sufficient evidence of any such appointment or cancellation as aforesaid.

(v) Any person appointed by the Governor under this Article may if so authorised by such order, appoint a proxy, whether specially or generally.

71. No business shall be discussed at any General Meeting except the election of a Chairman whilst the Chair is vacant. — Business confined to election of chairman whilst chair vacant.

72. The Chairman of the Board of Directors shall be entitled to take the Chair at every General Meeting. If there be no Chairman or if at any meeting he is not present within fifteen minutes after the time appointed for holding such meeting or is unable to be present due to illness or any other cause or is unwilling to act, the Deputy Chairman, if any, shall preside at the meeting. If there is no Deputy Chairman or if at any meeting he is not present or is unwilling to act as Chairman then the Directors present may choose a Chairman and in default of their doing so the members present shall choose one of the Directors to be Chairman and if no Directors present be willing to take the Chair, the members present shall choose one of their members to be Chairman. — Chairman of General Meeting.

73. If within fifteen minutes after the time appointed for the holding of a General Meeting a quorum be not present, the meeting if convened on the requisition of share-holders shall stand dissolved and in any other case shall stand adjourned to the same day in the next week at the same time and place or to such other day, time and place as the Directors may by notice to the share-holder appoint. If at such adjourned meeting a quorum be not present, the member present shall be a quorum and may transact the business for which the meeting was called. — Proceeding when quorum not present.

74. The Chairman with the consent of the meeting may adjourn any meeting from time to time and from place to place. — Chairman with consent may adjourn meeting.

75. No business shall be transacted at any adjourned meeting other than business which might have been transacted at the meeting from which the adjournment took place. — Business at adjourned meeting.

76. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless a poll is before or on the declaration of the result of the show of hands, demanded by a member present in person or proxy or by duly authorised representative and unless a poll is so demanded, a declaration by the Chairman that a resolution has, on a show of hands, been carried unanimously or by a particular majority or lot, and an entry to that effect in the minutes book recording the proceedings of the Company shall be conclusive evidence of the fact, without proof of the number or proportion of the vote recorded in favour of or against that resolution. — What is to be evidence of the passing of Resolution where poll not demanded.

77. If a poll is demanded as aforesaid, it shall be taken in such manner and at such time and place as the Chairman of the meeting shall direct and either at once or after an interval or adjournment and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand of a poll may be withdrawn. — By whom poll may be demanded.

78. In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands take place or at which the poll is demanded, shall be entitled to a casting vote in addition to his own vote to which he may be entitled as a member. — Motion how decided in case of equality of votes.

79. Any poll duly demanded at any General Meeting on the election of a Chairman of the meeting or on any question of adjournment thereof shall be taken at the said meeting. — In what cases poll taken without adjournment.

80. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded. — Demand for poll not to prevent transaction of other business.

81. Minutes shall be made in books provided for the purpose of all resolutions and proceedings at General Meetings and any such minutes, if signed by any person purporting to have been the Chairman of the meeting to which it relates or by the person presiding as Chairman at the next succeeding meeting, shall be receivable as evidence of the facts therein stated without further proof. — Minutes of General Meeting.

82. The books containing minutes of proceedings of General Meetings of Company shall be kept at the Registered Office of the Company and shall during business hours (subject to such reasonable restrictions as the Company in General Meeting may from time to time impose so that not less than two hours in each day be allowed for inspection) be open to the inspection by any member without charge. — Inspection of Minutes Books.

83. Any member shall at any time after seven days from the meeting be entitled to be furnished within seven days after he has made a request in that behalf to the Company with a copy of any minutes referred to above at a charge not exceeding 37 paise for every 100 words. — Copies of minutes

VOTES OF MEMBERS

Votes

84. On a show of hands, every member entitled to vote and present in person or by a representative shall have one vote and upon a poll, every member entitled to vote and present in person or by representative, attorney or proxy shall have one vote for every share held by him.

Voting by a representative of a member company on show of hands.

85. Any member, who is a company represented by a representative duly authorised by a resolution of the Directors of such Company in accordance with the provisions of Section 187 of the Act, may vote on a show of hands as if he was a member of the Company. The production at the meeting of a copy of such resolution duly signed by one Director of such company and certified by him as being a true copy of the resolution shall at the meeting be accepted by the Company as sufficient evidence of the validity of his appointment.

No member to vote unless calls are paid up.

86. Subject to the provisions of the Act no member shall be entitled to be present or to vote at any General Meeting either personally or by proxy or attorney for any other member or be reckoned in a quorum whilst any call or other sum shall be overdue and payable to the Company in respect of any of the shares of such member for more than one month.

Votes in respect to shares of deceased insolvent members.

87. Any person entitled under the Transmission Clause (Article 43 hereof) to transfer any shares may vote at General Meeting in respect thereof as if he was the registered holder of such shares provided that at least 72 hours before the time of holding the meeting or adjourned meeting as the case may be at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares unless the Directors shall have previously admitted his right to vote at such meeting in respect thereof.

Qualification of proxy.

88. No person shall be appointed proxy who is not a member of the Company and qualified to vote save that a corporation being a member of the Company may appoint as its proxy one of its directors or officers though not a member of the Company. A proxy shall not have the right to speak at the meeting. No attorney shall be entitled to be present or vote on behalf of a member of the Company unless at least seventy-two hours before such meeting, such attorney was, and at the date of such meeting, is a member of the Company but this prohibition shall not apply to any attorney who is a director or officer of the company.

Votes may be given by proxy or attorney.

89. Votes may be given whether on a show of hands or on a poll either personally or (subject to the provisions of Article 85) by attorney or proxy or in case of the Governor, a body corporate including a company by a representative duly authorised as aforesaid.

Appointment and qualification of proxy.

90. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney or if such appointer is a company or body corporate, of a person duly authorised in that behalf, or under the hand of its attorney who may be the appointer.

Deposit of instrument of appointment

91. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy thereof shall be deposited at the office of the Company not less than forty-eight hours before the time for holding the meeting at which the person named in the instrument proposed to vote and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall remain valid after the expiration of twelve months from the date of its execution except in the case of the adjournment of any meeting first held previously to the expiration of such time. An attorney shall not be entitled to vote unless the power of attorney or other instrument appointing him or notarially certified copy thereof has either been registered in the records of the company at any time not less than forty-eight hours before the time for holding the meeting at which the attorney proposes to vote or is deposited at the office of the Company not less than forty-eight hours before the time fixed for such meeting as aforesaid. Notwithstanding that a power of attorney or other authority has been registered in the records of the Company, the company may by notice in writing addressed to the member or the attorney require him to produce the original power of Attorney or authority and unless the same is thereupon deposited with the Company the attorney shall not be entitled to vote at such meeting unless the Directors in their absolute discretion excuse such non-production and deposit.

Custody of the instrument.

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

93. Every instrument of proxy for a specified meeting or otherwise shall, as nearly as circumstances will admit, be in the form or to the effect following :—

Haryana Agro-Industries Corporation Limited

Form of proxy.

I/we, a member of Haryana Agro Industries Corporation Limited, do hereby appoint_____ of _____ (or failing him) of as my/our proxy to attend and vote for me/us and on my/our behalf at the Annual/Extra ordinary General Meeting of the Company to be held on the _____ day of _____19 at any adjournment thereof.

As witness my hand this day of 19 ;
the said.

Signed by:

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

Validity of votes given by proxy not withstanding death of member etc.

95. No objection shall be made to the validity of any vote except at the meeting or poll at which such vote shall be tendered, and every vote whether given personally or by proxy not disallowed at such meeting or poll, shall be deemed valid for all purposes of such meeting or poll whatsoever.

Time for objections to votes.

96. The Chairman/Vice-Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman/Vice-Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.

Chairman of any Meeting to be the judge of validity of any votes.

97. Any member whose name is entered in the Register of Members of the Company shall enjoy the same rights and be subject to the same liabilities as all other members of the same class.

Equal rights of members.

DIRECTORS

98. (a) The Governor shall, from time to time, determine the number of Directors of the Company which shall be not less than two and not more than twelve.

Number of Directors.

(b) The Directors shall not be required to hold any qualification shares.

99. (a) The *ex-officio* Directors shall be appointed by the Governor and shall be paid such salary and or allowance as the Governor may from time to time determine. Subject to the provisions of section 314 of the Act, such reasonable additional remuneration as may be fixed by the Governor may be paid to any one or more of the Directors for extra or special services rendered by him or them or otherwise;

Number of Directors.

(b) The Governor may from time to time appoint Chairman and Vice-Chairman of the Board of Directors and determine the period for which he is to hold his office;

(c) The Governor shall have power to remove any *ex-officio* Director including the Chairman, if any, and the Managing Director from office at any time in his absolute discretion;

Removal of Directors.

(d) The Governor shall have the right to fill any vacancy in the office of the *ex-officio* Directors caused by removal, resignation, death or otherwise.

100. (a) (i) For the conduct and management of the business of the Company in general subject to the control and supervision of the Board of Directors the Governor may empower the Chairman nominated under Article 99(b) to exercise the functions of the Managing Director or appoint subject to the approval of State Government, one of the Directors to be the Managing Director who will be the Chief Executive Officer of the Company. The Governor may also appoint one or more of the Directors to be an Executive Director or Executive Directors. The functions, duties and responsibilities of an Executive Director shall be such as may be determined by the Governor from time to time on the recommendation of the Board of Directors.

Appointment of Managing Directors.

(ii) The Managing Director so appointed shall be paid such salary and allowances as may be fixed by the Governor.

(b) Subject to the provisions of sub-section 197-A of the Act, the Board of Directors may appoint General Managers or Managers or Financial Adviser and Chief Accounts Officers or other Officers for such term and at such remuneration as it may think fit and may, from time to time, remove him or them from office and appoint another or others in his or their place or places.

General Manager or Manager or FA and CAO

(c) Subject to the approval of the Governor, the Board may from time to time entrust to and confer upon the Managing Director such of the powers as it may think fit and may confer such powers for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions as the Board may think expedient and may from time to time revoke, withdraw, alter or vary all or any such powers.

101. The Chairman/Vice Chairman shall reserve for the decision of the Governor any proposals or decisions made by the Directors in respect of the following :—

(a) Winding up of the Company.

(b) Any other matter which in the opinion of the Chairman/ViceChairman be of such importance as deserves the approval of the Governor.

102. No action shall be taken by the Company in respect of any proposal or decision, made by the Directors, reserved for the approval of the Governor until his approval to the same has been obtained. The Governor shall have the power to modify such proposal or decision of the Directors.

103. The office of a Director shall become vacant if :—

(a) he is found to be of unsound mind by a court of competent jurisdiction; or

(b) he applies to de adjudicated an insolvent; or

(c) he is adjudged an insolvent,

(d) he absents himself from three consecutive meetings of the Directors or from all meetings of the Directors for a continuous period of three months, whichever is the longer, without obtaining leave of absence from the Board,

(e) he (whether by himself or by any person for his benefit or on his account or any firm in which he is a partner or any private company of which he is a member of Director) accepts a loan or guarantee from the company in contravention of Section 295 of the Act, or

(f) he acts in contravention of section 297 and 299 of the Act, or

(g) he suspends payment to or compounds with his creditors, or

(h) he resigns office by notice in writing addressed to the Company or to the Board,

(i) he is convicted by a court in India of any offence involving moral turpitude and sentenced in respect thereof to imprisonment for not less than six months,

(j) he fails to pay any call in respect of the shares of the Company held by him whether alone or jointly with others within six months from the last date fixed for the payment of the call unless the Central Government has by notification in the official Gazette removed the disqualification incurred by such failures,

(k) he becomes disqualified by an order of court under section 302 of the Act,

(l) he is removed in pursuance of section 284 of the Act.

Director may contract with Company and vote in respect of any contract in which he is interested.

104. Subject to the restrictions imposed by these Articles and the Act the observance and fulfilment thereof, no Director shall be disqualified by his office from contracting with the company either as vendor, purchaser, agent, broker or otherwise, nor shall any such contract, or any contract or arrangement entered into by or on behalf of the company in which any Director shall be in any way interested be avoided nor shall any director, so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason only of such Director holding that office, or of the fiduciary relation thereby established, but it is declared that the nature of his interest must be disclosed by him at the meeting of the Directors at which the contract or arrangement is determined on: if his interest then exists or in any other case at the first meeting of the Directors after the acquisition of his interest and that no director shall, as a director, vote in respect of any contract or arrangement in which he is so interested, and if he does vote his vote shall not be counted. Provided that the Directors or any of them, may vote on any contract of indemnity against any loss which they or any one or more of them may suffer by reason of becoming or being sureties or a surety for the Company. A general notice that any Director is a member of any specified firm or a Director or member of any specified Company, and is to be regarded as interested in any subsequent transaction with firm or company, shall be sufficient disclosure under this article, and after such general notice, it shall not be necessary to give any special notice relating to any particular transaction with such firm or company.

Register of Contracts.

105. The Company shall keep a Register in which shall be entered particulars of all contracts or arrangements in which any Director is concerned or interested directly or indirectly as required by the provisions of the Act.

106. A Director of this Company may be, or become a Director of any Company promoted by this Company or in which it may be interested as a vendor, member or otherwise and no such Director shall be accountable for any benefits received as Director or member of such Company.

Directors may be Directors of Companies promoted by the Company.

107. The Company shall not make any loan or guarantee any loan made to a Director of the Company or to a firm of which such Director is a partner or to a private company of which such Director is a member or Director.

Loans to Directors.

108. The Directors shall meet together for the despatch of business once at least in every three months and at least four such meetings shall be held in every year. The Directors may adjourn and otherwise regulate their meetings and proceedings as they think fit.

Meeting of Directors and Quorum.

One-third of the total strength of Directors (any fraction contained in that one-third being rounded off as one) or two Directors whichever is higher shall be a quorum of a meeting of the Directors.

109. A Director who is at any time not in India shall not during such time be entitled to notice of any such meeting.

Directors nor entitled to notice.

110. Questions arising at any meeting of the Directors shall be decided by a majority of votes, and in case of any equality of votes, the Chairman of the meeting shall have a second or casting vote.

Question at Board meeting how decided.

111. All meetings of the Directors shall be presided over by the Chairman if present, and if at any meeting, the Chairman is not present, the Vice-Chairman, if any, shall preside and if at any meeting the Vice-Chairman be also not present at the time appointed for holding the same, the Directors shall choose one of them present to preside at the meeting.

Who is to preside at meeting of the Board.

112. A meeting of the Directors for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under the Articles of the Company for the time being vested or exercisable by the Directors generally.

Quorum competent to exercise powers.

113. The Directors may, subject to the provision of Section 292 of the Act delegate any of their powers, to Committees consisting of such member or members of their body as they think fit, and they may from time to time revoke such delegation. Any Committee so formed shall in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on it by the Directors.

Directors may appoint committee.

114. The meetings and proceedings of any such Committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Articles. The proceedings of such a Committee shall be placed before the Board of Directors at its next meeting.

Meeting of Committees how to be governed.

115. Subject to the provisions of section 289 of the Act, a resolution in writing approved by such of the Directors as are then in India or by a majority of such of them as are entitled to vote on the resolution shall be as valid and effectual as if it had been passed at a meeting of the Directors duly called and held.

Resolution without Board meeting valid.

116. All acts done by the Directors, or by a Committee of Directors or by any persons acting as a Director shall be valid, not with-standing that it shall after-wards be discovered that the appointment of such Directors or persons acting as aforesaid, was invalid by reason of any defect or disqualification or had terminated provided that nothing in this article shall give validity to acts done by a Director after his appointment has been shown to be invalid or to have terminated.

Acts of Board or Committees valid not with-standing defect of appointment.

117. The Directors shall cause minutes to be made in books provided for the purpose:—

Directors to cause minutes to be made in the books.

(a) of all appointments of officers made by the Directors.

(b) of the names of the Directors present at each meeting of the Directors and of any Committee of the Directors;

(c) of all resolutions and proceedings at all meetings of the Company, and of the Directors, and of the Committees of Directors, and every Director present at any meeting of Directors or Committee of Directors shall sign his name in a book to be kept for that purpose.

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

By whom minutes to be signed and the effects of minutes recorded.

POWERS OF DIRECTORS

General powers of Company vested in Directors.

119. The business of the company shall be managed by the Directors who may pay all expenses of getting the company registered and may exercise all such powers and do all such acts and things as the company is by its Memorandum of Association or otherwise authorised to exercise and do and are not hereby or by statute directed or required to be exercised or done by the Company in General Meeting, but subject nevertheless to the provisions of the Act and of the Memorandum of Association and these Articles and to any regulations not being inconsistent with the Memorandum of Association and these articles from time to time made by the Company in General Meeting provided that no such regulation shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made.

Specific powers given to Directors.

120. Without prejudice to the general powers, conferred by the last Preceding Article and the other powers conferred by these Articles the Directors shall have the following powers:—

To make bye-laws.

(1) From time to time make, vary and repeal bye-laws for the regulation of the business of the Company, its officers and servants;

(2) To pay and charge to the capital account of the Company any interest lawfully payable thereout under the provisions of the Act;

To acquire property.

(3) To purchase or otherwise acquire for the Company any property rights or privileges which the Company, is authorized to acquire at such price and generally on such terms and conditions as they think fit;

Capital Works undertaking of.

(4) To authorise the undertaking of works of a capital nature subject to the condition that all cases involving a capital expenditure exceeding Rs. 50 lakhs shall be referred to the Governor for approval before authorisation; but in case where detailed project reports have been prepared with estimates of the diffierent component parts of the Projects and duly approved by the State Government, the Board shall be fully competent to authorise the undertaking of all works covered under the approved estimates including variations not exceeding ten per cent of any particular component without further reference to the Governor;

To pay for property in debentures, etc.

(5) At their discretion to pay for any property or rights acquired by or services rendered to the company, either wholly or partially in cash, or in shares, bonds debentures, debenture stock or other securities of Company, and any such shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; any such bonds, debentures, debenture stock or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged;

To insure property etc.

(6) To insure and keep insured against loss or damage by the fire or otherwise for such period and to such extent as they may think proper, all or any part of the buildings, machinery goods, stores, produce and other movable property of the Company, either separately or conjointly; also to ensure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power;

To open accounts.

(7) To open accounts with any bank or bankers or with any Company, firm or individual and to pay money into and draw money from any such account from time to time as the Directors may think fit;

To secure contracts by mortgage.

(8) To secure the fulfilment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the property of the Company and its unpaid capital for the time being or in such other manner as they think fit;

(9) To attach to any shares to be issued as the consideration or part of the consideration for any contract with or property acquired by the Company, or in payment for services rendered to the Company, such conditions as to the transfer thereof as they think fit.

To accept surrender of shares.

(10) To accept from any member on such terms and conditions as shall be agreed a surrender of his shares or stock or any part thereof.

To appointed trustees.

(11) To appoint any person or persons (whether incorporated or not) to accept and hold in trust for the Company any property belonging to the Company or in which it is interested, or for any other purposes and to execute and do all such acts and things as may be requisite in relation to any such trust and provide for the remuneration of such trustee or trustees.

To bring and defend action.

(12) To institute, conduct, defend, compound, or abandon any legal proceedings

by or against the Company or its officers or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debt due, or of any claims or demands by or against the Company;

To refer to arbitration.

(13) To refer any claim or demand by or against the company to arbitration and observe and perform the awards;

(14) To act on behalf of the Company in all matters relating to bankrupts and insolvents;

To give receipt.

(15) To make and give receipts, releases and other discharges for moneys payable to the Company and for the claims and demands of the Company;

To authorise acceptance, etc.

(16) To determine from time to time who shall be entitled to sign on the Company's behalf bills, notes, receipts acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents;

To invest money.

(17) To invest and deal with any of the moneys of the Company not immediately required for the purpose thereof, upon such securities and in such manner as they may think fit and from time to time to vary or release such investments;

To give security by way of indemnity.

(18) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability for the benefit of the Company such mortgages of the Company's property (present and future) as they think fit, and any such mortgage may contain a power of sale and such other powers, covenants and provisions as shall be agreed on;

To give percentage.

(19) Subject to the approval of the Governor, to give to any Director, officer or other persons employed by the Company an interest in any particular business or transaction either by way of commission on the profits thereon or otherwise or a share in the general profit of the Company, and such interest, commission or share of profits shall be treated as a part of the working expenses of the Company;

To give bonus.

(20) To provide for the welfare of employees or ex-employees of the Company or of its predecessors in business and the wives, widows and families or dependents or connections of such employees or ex-employees, by building or contributing to the building of houses or dwellings or by grants of money, pensions, allowances, by bonuses, profit sharing bonuses or benefit of any other kind or by creating and from time to time subscribing or contributing to provident and other associations, institutions, funds, profit sharing or other schemes, or trusts or by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendances and any other form of assistance, welfare or relief as the Directors shall think fit.

To subscribe to Charitable and other funds.

(21) To subscribe or otherwise to assist or to guarantee money to charitable benevolent, religious, scientific, national public or any other institutions or objects, or for any exhibition;

To create depreciation and other funds.

(22) Before recommending any dividend to set aside out of the profits of the Company such sums as they may think proper for depreciation or to Depreciation Fund. Reserve or to Reserve Fund, or Sinking Fund, Insurance Fund or any special or other fund to meet contingencies or to repay redeemable Preference Shares, debentures or debenture stock, and for special dividends and for equalising dividends and for repairing, improving, extending and maintaining any part of the property of the Company, and for such other purposes, as the Directors may, in their absolute discretion think conducive to the interest of the Company; and to invest the several sums so set aside or so much thereof as required to be invested upon such investments (subject to the restrictions imposed by the Act) as the Directors may think fit; and from time to time to deal with and vary such investments and dispose of and apply and expend all or any part thereof for the benefit of the Company in such manner and for such purposes as the Directors (subject to such restrictions as aforesaid) in their absolute discretion think conducive to the interest of the Company notwithstanding that the matters to which the Directors apply or upon which they expend the same, or any part thereof may be matters to or upon which the capital moneys of the Company might rightly be applied or expended and to divide the Reserve into such special funds as the Directors may think fit, and to employ the assets constituting all or any of the above-mentioned funds, including the Depreciation Fund, in the business of the Company or in the purchase or payment of redeemable Preference Shares, debenture or debenture stock and that without being bound to keep the same separate from the other assets, and without being bound to pay or allow interest on the same with power however to the Directors at their

discretion to pay or allow to the credit of such fund interest at such rate as the Directors may think proper not exceeding six per cent per annum;

Dividend to be paid only out of profit.

(23) Subject to the provisions of Section 205 of the Act, dividend shall not be declared, for any financial year, except out of the profits of the Company for the year arrived at after providing for depreciations in accordance with the provision for Sub-section (2) of that Section or out of the profit of the Company for any previous financial year or years arrived at after providing for depreciation in accordance with those provisions and remaining undistributed or out of both;

To appoint officers.

(24) To appoint and at their discretion remove or suspend such Secretaries, Officers, Clerks, agents and servants as they, may, from time to time, think fit and to determine their powers and duties and fix their salaries or emoluments and require security in such instances and to such amounts as they may think fit. And also without prejudice as afore-said from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in such manner as they think fit and the provisions contained in Sub-clauses 26 and 27 following shall be without prejudice to the general powers conferred by this Clause;

To comply with local Laws.

(25) To comply with the requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with;

To establish local Boards.

(26) From time to time and at any time to establish any Local Board in any specified locality in India or elsewhere and to appoint any persons to be members of any Local Board and to fix their remuneration and from time to time and at any time to delegate to any person so appointed any of the powers, authorities and discretions for the time being vested in the Directors, other than their powers to make call and issue debentures and to authorise the members for the time being of any such Local Board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be made on such terms and subject to such conditions as the Directors may think fit, and the Directors may at any time remove any person so appointed, and may annul or vary any such delegation.

To appoint attorneys.

(27) Subject to the provisions of Section 292 of the Act at any time and from time to time by Power of Attorney to appoint any person or persons to be the attorney or attorneys to the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these presents) and for such period and subject to such conditions as the Directors may from time to time think fit and any such appointment (if the Directors think fit) may be made in favour of the members or any of the members of any Local Board established as aforesaid in favour of any company or the members, Directors, nominees or managers of any company or firm or otherwise in favour of any fluctuating body or person whether nominated directly or indirectly by Directors and any such power of attorney may contain such powers for the protecting or convenience of persons dealing with such attorneys as the Directors may think fit:

(28) Subject to section 292 of the Act, to sub-delegate all or any of the powers, authorities and discretions for the time being vested in the Directors subject to the ultimate control and authority being retained by them;

To enter into contracts.

(29) To enter into such negotiations and contracts and rescined and vary all such contracts and execute and do all such acts, deeds and things in the name of and on behalf of the Company as they may consider expedient for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company, provided that in respect of all commercial contracts to be concluded with foreign parties, prior approval of the Governor shall be obtained before the contract is finalised.

Seal.

121. (i) The seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board of Directors and except in the presence of at least one Director or such other person as the Board may appoint for the purposes ; and the said Director or the person aforesaid shall sign every instrument to which the seal of the Company is so affixed in his presence.

(ii) The Board shall provide for the safe custody of the seal.

INTEREST OUT OF CAPITAL

Payment of interest out of capital.

122. Where any shares are issued for the purpose of raising money to defray the expense of construction of any works or buildings, or the provisions of any plant, which cannot be made profitable for a long period, the Company may pay interest so much of that share capital as is for the time being paid up for the period and

subject to the conditions and restrictions provided by section 208 of the Act and may charge the same to capital as part of the cost of the work or building or the provisions of plant.

Division of Profits.

123. The profits of the Company subject to any restrictions and limitations or special rights relating thereto created or authorised to be created by the Memorandum or by these Articles shall be divisible among the members in proportion to the amount of capital paid up on the shares held by them respectively. Provided always that (subject as aforesaid) any capital paid up on a share during the period in respect of which a dividend is declared shall, unless the Directors otherwise determine, only entitled the holder of such share to an apportioned amount of such dividends as from the date of payment,

Capital paid up in advance at interest not to earn dividend.

124. Where capital is paid up in advance of calls upon the footing that the same shall carry interest, such capital shall not, whilst carrying interest confer a right to participate in profits.

Dividends in proportion to amount paid up.

125. The Company may pay dividends in proportion to the amount paid up or credited as paid up on each share, where a large amount is paid up or credited as paid up on some shares than on others.

The company in General Meeting may declare a dividend.

126. On the recommendation of the Directors, the Company in General meeting may, with the approval of the Governor, declare a dividend to be paid to the members according to their respective rights and interest in the profits and may fix the time for payment.

Power of Directors to limit dividends.

127. No dividends shall exceed the amount recommended by the Directors but the Company in General Meeting may declare a lesser dividend. No dividend shall be payable except out of the profits of the year or any other undistributed profits, and no dividend shall carry interest as against the Company. The declaration of the Directors as to the amount of the net profits of the Company shall be conclusive.

Interim dividend.

128. The Directors may, from time to time, pay to the members such interim dividends as in their judgement the position of the Company justifies.

Retention of dividends until became member in respect of such shares or shall completion of transfer under Transmission Clause.

129. The Directors may retain the dividends payable upon shares in respect of which any person is under Article 43 hereof entitled to become a member until such person shall duly transfer the same.

No member to receive dividend whilst indebted to the company and Company's right of reimbursement thereout.

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

Transfer of shares must be registered.

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

Dividends how remitted.

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

Unclaimed dividends.

133. Dividends unclaimed for one year after having been declared may be invested or otherwise used by the Directors for the benefit of the Company until claimed and all dividends unclaimed for six years after having been declared may be forfeited by the Directors for benefit of the Company provided however, the Directors may at any time annul such forfeiture and pay any such dividend.

Dividend and call together.

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

Set of allowed.

ACCOUNTS

Accounts.

135. The Directors shall cause to be kept proper books of accounts with respect to (a) all sums of money received and expended by the Company and the matters in respect of which such receipt and expenditure take place ; (b) all sales and purchases of goods by the Company and (c) the assets and liabilities of the Company ; and (d) particulars relating to utilisation of material or labour or to other items of cost as may be prescribed by the Central Government, if the Company is engaged in production, processing, manufacturing or mining activities. The books of accounts shall be kept at the Registered Office of the Company or such other place or places as the Directors may think fit and shall be open to inspection by the Directors during business hours.

Inspection by members of Accounts and of the Company.

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

Annual accounts and balance sheet.

137. The Board of Directors shall at every annual general meeting held in each year in accordance with section 166 of the Act lay before the Company a balance sheet as the end of and profit and loss account for the period specified below :—

(a) In the case of the first annual general meeting of the Company, the period beginning with the incorporation of the Company and ending with a day which shall not precede the day of the meeting by more than nine months,

(b) In the case of any subsequent annual general meeting of the Company, the period beginning with day immediately after the period for which the account was last submitted and ending with a day which shall not precede the day of the meeting by more than six months or in cases where an extension of time has been granted for holding the meeting under the second proviso to sub-section (1) of section 166 of the Act by more than six months and the extension so granted.

Annual Report of Directors.

138. The Directors shall make out and attach to every balance sheet a report with respect to the state of the Company's affairs, the amount, if any, which they recommend should be paid by way of dividend and the amount, if any, which they propose to carry to the Reserve Fund, General Reserve or Reserve Account shown specifically in the balance sheet or to a Reserve Fund, General Reserve or Reserve Account to be shown specifically in a subsequent balance sheet. The report shall be signed by the Chairman of the Board of Directors on behalf of the Directors if authorised in that behalf by the Directors and when he is not so authorised, shall be signed by such number of Directors as are required to sign the balance sheet and the profit and loss account by virtue of sub-sections (1) and (2) of Section 215 of the Act.

Particulars in Profit and Loss Accounts.

139. The profit and loss account shall, in addition to matters referred to in Section 211 (2) of the Act, show, arranged under the more convenient heads the amount of gross income, distinguishing serveral sources from which it has been derived and the amount of gross expenditure, distinguishing the expenses of the establishment, salaries and other like matters. Every item of expenditure fairly chargeable against the year's income shall be brought into accounts so that a just balance of profit and loss may be laid before the meeting and in cases where any item of expenditure which may in fairness be distributed over several years, has been incurred in any one year, the whole amount of such item shall be stated, together with a statement of the reasons why only a portion of such expenditure is charged against the income of the year.

Balance-sheet and other documents to be sent to the address of every member.

140. The Company shall send a copy of such balance sheet and the profit and loss account together with a copy of the Auditor's report to the registered address of every member of the Company at least twentyone days before the meeting at which it is to be laid before the members of the Company and a copy of the same shall be deposited at the Registered Office of the Company for the inspection of the members of the Company during a period of at least twenty-one days before that meeting.

Copies of Balance Sheet, Profit and Loss Account and Auditor's Report shall be filed with Registrar.

141. After the balance sheet and profit and loss account have been laid before the Company at General Meeting, three copies of balance sheet and Profit and loss account certified to be true copies by the Company's auditors and the auditor's report in so far as it relates to the Balance Sheet shall be filed with the Registrar within thirty days from the date on which the balance sheet and the profit and loss account were so laid in accordance with the provision of Section 220 of the Act.

142. With regard to the Accounts of the Company, the Directors shall comply with the provision of sections 209-222 of the Act or any statutory modification thereof for the time being in force. — Directors to comply with Sections 209 to 222 of the Act.

143. Once at least in every financial year the accounts of the Company shall be balanced and audited and the correctness of the profit and loss account and balance sheet ascertained by one or more Auditor or Auditors. — Accounts to be audited.

144. (a) the Auditor/Auditors of the Company shall be appointed or re-appointed by the Central Government on the advice of the Comptroller and Auditor-General of India and his/their remuneration, rights and duties shall be regulated by Sections 224 to 233 of the Act, subject, however, to the provisions of section 619 of the Act. — Appointment of Auditros

(b) The Comptroller and Auditor-General of India, shall have power:— — Powers of the Controller and Auditor-General

(i) to direct the manner in which the company's account shall be audited by the auditor/auditors and to give such auditor/ auditors instructions in regard to any matter relating to the performance of his/their functions as such;

(ii) to conduct a supplementary or test audit of the Company's account by such person/persons as he may authorise in this behalf and for the purpose of such audit, to have access, at all reasonable time to all accounts, account books, vouchers, documents and other papers of the Company and to require information to be furnished to any person or persons and in such form as the Comptroller and Auditor-General may, by general or special order, direct;

(c) The Auditor/Auditors aforesaid shall submit a copy of his/their audit report to the Comptroller and Auditor-General of India who shall have the right to comment upon or supplement the audit report in such manner as he may think fit;

(d) Any such comment upon or supplement to the Audit Report shall be placed before the annual general meeting of the Company at the same time and in the same manner as the audit report.

145. The auditors of the Company shall be entitled to receive notice of and to attend any General Meeting of the Company at which any accounts which have been examined or reported on by them are to be laid before the Company and make any statement or explanation they desire with respect to the accounts, — Auditor's rights to attend meetings.

146. Subject to the directions of the Central Government, the Company in general meeting shall appoint an auditor as required by section 233 B of the Act and the provisions of section 224 shall apply, as far as may be in relation to such auditor as they apply in relation to an auditor appointed under that section. This audit shall be in addition to the audit conducted by an auditor appointed under section 224. — Audit of cost Accounts.

147. Notwithstanding anything contained in any of these Articles the Governor may, from time to time, issue such directive or instructions as may be considered necessary in regard to the finances, conduct of business and affairs of the Company. The Company shall give immediate effect to the directives or instructions so issued. — Rights of the Governor to issue directive.

NOTICES

148. (i) A notice (which expression shall be deemed to include and shall include any summons, notice, process, order, Judgement or any other document in relation to or in the winding up of the Company) may be given by the Company to any member either personally or by sending it by post to him to his registered address or (if he has no registered address in the Union of India) to the address, if any, within India supplied by him to the Company for the giving of notice to him. — Notice.

(ii) Where a notice is sent by post, the service of such notice shall be deemed to be effected by properly addressing pre-paying and posting letter containing the notice and unless the contrary is proved to have been effected at the time at which the letter would be delivered in the ordinary course of post.

149. A notice may be given by the Company to the persons entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a prepaid letter addressed to them by name or by the title or representatives of the deceased or assignee of the insolvent or by any like description at the address (if any) in India supplied for the purpose by the persons claiming to be so entitled or until such an address has been so supplied by giving the notice in any manner in which the same might have been given if the death or insolvency had not occurred. — Notice of persons acquiring shares on death or in-solvency of members.

150. Notice of every General Meeting shall be given in the same manner hereinbefore to (a) every member of the Company and also to (b) every person entitled to a share in consequence of the death or insolvency of a member who but for his — Person entitled to notices of General Meetings.

death or insolvency would be entitled to receive notice of the meeting.

Transferee, etc. bound by prior notices.

151. Every person who by operation of law, transfer or other means whatsoever shall become entitled to any share, shall be bound by every notice, in respect of such share, which previously to his name and address and title to the share being notified to the Company, shall have been duly given to the person from whom he derives his title to such share.

Notice valid for member deceased.

152. Subject to the provisions of the Act any notices or document delivered or sent by post to or left at the registered address of any member in pursuance of these Articles shall notwithstanding such members be then deceased and whether or not the Company may have notice of his decease, be deemed to have been duly served in respect of any registered share whether held solely or jointly with other persons by such member until some other person be Registered in his stead as the holder or joint holder, thereof and such service shall for all purposes of these presents be deemed a sufficient service of such notice or document on his or her heirs, executors, or administrators and all persons, if any, jointly interested with him or her in any such shares.

Notice by Company and signature thereto.

153. Any notice to be given by the Company shall be signed by such Director or officer as the Directors may appoint and such signature may be written, printed or lithographed.

WINDING UP

Distribution of assets, Secrecy Clause.

154. If the Company shall be wound up, and the assets available for distribution among the members as such shall be insufficient to repay the whole of the paid-up capital, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the members in proportion to the capital paid-up, or which ought to have been paid-up at the commencement of the winding up on the shares held by them respectively. And if in a winding up the assets available for distribution among the members shall be more than sufficient to repay the whole of the capital paid-up at the commencement of the winding up, the excess be distributed amongst the members in proportion to the capital at the commencement of the winding up paid up or which ought to have paid-up on the shares held by them respectively. But this Clause shall be without prejudice to the rights of the holdes of shares issued upon special terms and conditions.

SECRECY CLAUSE

Secrecy Clause.

155. Every Director, Secretary, Trustee for the Company, its members or debenture holders, member of a committee, officer, servant, agent, accountant, or other person employed in or about the business of the Company shall, if so, required by the Board before entering upon his duties, sign a declaration pledging himself to observe a strict secrecy respecting all tansactions of the Company with its customers and the state of accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the Board or by any general meeting or by a court of law and except so far as may be necessary in order to comply with any of the provisions in these Articles contained.

156. No member other than a Director shall be entitled to visit or inspect the Company's Work without the permission of a Director or to require discovery of or any information respecting any detail of the Company's trading or any matter which may relate to the conduct of the business of the Company and which in the opinion of the Directors will be inexpedient in the interest of the members of the Company to communicate to the public.

INDEMNITY AND RESPONSIBILITY

Director's and other's right to indemnity.

157. (i) Subject to the provisions of Section 201 of the Act, every Director, Manager, Secretary and other officer or employees of the Company shall be indemnified by the Company and it shall be the duty of the Directors to pay all costs out of the Funds of the Company, losses and expenses (including travelling expenses) which such Director, Manager, Officers or employees may incur or become liable to by reason of any contract entered into or act or deed done by him or them as such Directors, General Manager, Manager, Officer or servant or in any other way in the discharge of his duties and the amount for which such indemnity is provided shall immediately attach as a lien on the property of the Company and have priority as between the members over all other claims.

(ii) Subject as aforesaid, every Director, Manager, Officer or (with the consent of the Directors) Auditors of the Company shall be indemnified against any liability incurred by him or them in defending any proceedings, whether civil or criminal,

in which judgement is given in his or their favour or in which he or they are acquitted or in connection with any application under Section 633 of the Act in which relief is given to him or them by the Court.

158. Subject to the provisions of Section 201 of the Act no Director, Manager, or other Officer of the Company shall be liable for the acts receipts, neglects or defaults of any other Director or Officers, or for joining in any receipt or other act of conformity or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property required by order of the Directors for or on behalf of the Company, or for the insufficiency or deficiency of any security in or upon which any of the money of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation, with whom any moneys, securities or effects shall be entrusted or deposited or for any loss occasioned by an error of misfortune whatever which shall happen in the execution of the dutiies of his or their office or in relation thereto unless the same happen through his own dishonesty or gross negligence. Not responsible for acts of others.

We the several persons whose names and addresses are subscribed are desirous of being formed into a Company in pursuance of these Articles of Association and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names:—

Names, addresses, designation and occupation of subscribers	Number of shares taken by each subscriber	Signature of each subscriber	Witness to Signature
1	2	3	4
1. Governor of Haryana	4996 shares of Rs. 100 each (Four thousand nine hundred and ninety-six shares of Rs. 100 each)	Sd/-R. N. Chopra, Commissioner, Agricultural Production and Rural Development, Haryana and Secretary to Government, Haryana, Agriculture Department. For and on behalf of Governor of Haryana.	Sdf-Vineet Nayyar, Deputy Secretary, Development-I to Haryana Government
2. Shri R. N. Chopra, I.A.S., son of Shri Kanshi Ram Chopra, Commissioner, Agricultural Production and Rural Development and Secretary to Government, Haryana, Agriculture Department, 74, Sector 5, Chandigarh	One share of Rs. 100 each	Sd/-R.N. Chopra	Sd/-Vineet Nayyar, Deputy Secretary, Development-I to Haryana Government
3. Shri B.S. Manchanda, I.A.S, son of Shri G.S. Manchanda, Commissioner for Planning and Finance, Haryana Government, 140, Sector 8-A, Chandigarh	One share of Rs. 100 each	Sd/-B.S. Manchanda	Sd/-Vineet Nayyar, Deputy Secretary, Development-I to Haryana Government
4. Shri P N. Sahni, I.A.S., son of Shri Gurdas Ram Sahni, Director of Industries and Additional Secretary to Haryana Government, Industries and Industrial Training Department, 594, Sector 16-D, Chandigarh.	One share of Rs. 100 each	Sd/-P.N. Sahni	Sd/-Vineet Nayyar, Deputy Secretary, Development-I to Haryana Government
5. Shri Rattan Singh Dayal, son of Risaldar Ram Singh, Director, Animal Husbandry, Haryana, 1523, Sector 18-D, Chandigarh	One share of Rs. 100 each	Sd/-Rattan Singh	Sd/- Satya Bhushan. Superintendent. F.C.'s Office Haryana
Total	...5,000 shares (Five thousand shares)		

Dated this Day of 29th March 1967

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