

**THE COMPANIES ACT, 1956
GOVERNMENT COMPANY LIMITED BY SHARES**

**MEMORANDUM AND ARTICLES
OF ASSOCIATION OF**

**CHHATTISGARH RAJYA VAN VIKAS NIGAM LIMITED
2001**

The Companies Act. 1956
Government Company Limited by Share
Memorandum of Association

Of

CHHATTISGARH RAJYA VAN VIKAS NIGAM LIMITED

- I. THE NAME OF THE COMPANY IS "CHHATTISGARH RAJYA VAN VIKAS NIGAM LIMITED"
- II. THE REGISTERED OFFICE OF THE COMPANY WILL BE SITUATED IN THE STATE OF CHHATTISGARH.
- III. THE OBJECTS FOR WHICH THE COMPANY IS ESTABLISHED ARE:
 - A. ***Main Objects of the company to be pursued on its incorporation.***
 1. To accelerate and increase forestry production by creating plantations of:
 - (i) Fast Growing species.
 - (ii) Species of higher economic value
 - (iii) Species capable of diversified use for industrial and commercial purposes
 2. To bring suitable forest areas under intensive Management Practices in order to improve, enrich and enhance production, both in quantity and quality.
 3. To develop land, to maintain, conserve protect, preserve, tend, exploit, and to manage in all respects crops and trees raised or come up naturally and forests and land of all description and to arm all officers including the Managing Director and staff of the company with powers similar to those of the officers and staff of the Forest Department under the Indian Forest Act. 1927 (Act. XII of 1927), other Acts and Rules made there under and as amended from time to time.
 4. To takeover the assets, liabilities and business carried in the name of Madhya Pradesh Rajya Van Vikas Nigam due to M.P. reorganization Act. 2000 applicable w.e.f. 1-11-2000.
 5. To undertake maintenance, preservation, protection and development of existing fauna.
 6. To carry on business of felling, converting, dragging, hauling, marketing, processing, standardizing, grading, sorting, distributing, selling and carrying out all aspects of exploitation of forest products grown, raised or otherwise found naturally.
 7. To plant, grow, cultivate, produce and raise plantations of all kinds of varieties of forest plants, trees and crops and natural of any kind and other agricultural crops.
 8. To carry on the business of planters, cultivators, sellers and dealers in timber, plywood, matchwood and any other forest produce and to process, manufacture, dispose off, sell, export, import, distribute and otherwise deal in all kinds of forest plants, forest produce, trees, crops, natural products and agriculture and silviculture crops.
 9. To promote establish, administer, participate, own, run, to carry on business as manufactures of, and dealers in plywood, pulp, paper, matchwood, boards, wood blocks, for flooring and other purposes boxes, windows, doors, wood pulp, wood-wool, masts, spars, derricks, sleepers, tool handles, paneling, wood-work, furniture,

and articles of all description wholly or partly made from wood or forest produce, the waste products or by- products of wood or forest produce.

To promote and participate in companies, firms, establishments, concerns or undertakings for the purpose of development of forest based industries and to assist and finance any individual or firm or company with, loan credit, resources, which may seem to the company capable of being conveniently carried on in connection with any of the above or calculated directly or indirectly, to render profitable or to enhance the value of the company's property, rights or interests.

B- Ancillary Objects

The objects ancillary or incidental to the attainment of the main objects of the Company are :

10. To undertake, promote and participate in development works for benefit and general welfare of the people residing or working in/or around areas of operation of the company.
11. To manufacture, process, prepare for market, refine and otherwise manipulate and deal in and turn to account all materials and commodities grown or produced by the Company and all by refuse and by products derived there from.
12. To promote the development of forest industries, to operate suitable schemes and for that purpose to prepare and get or cause to be prepared reports, blueprints, statistics, feasibility studies and project reports and other information.
13. To deal in all kinds of chemicals, manure, fertilizers, pesticides, wee- decides, fungicides, pharmaceutical products and any other product which may be of use in promoting the objectives of the Company.
14. To carry on business ordeal in all kinds of equipment for logging, conversion, hauling and transport of forest produce, agricultural machinery, tractors, bull- dozers and implements, equipment, machine tools and metals of all kinds, fuels, oils and lubricants and to establish and run engineering and repair workshops of all descriptions.
15. To produce, grow, process, export, import of all varieties of forest seeds, garden seeds, farm seeds of all and fodder of all varieties and kind of products, or by products, there from.
16. To acquire by concessions, grants, purchase, barter, license, lease or otherwise either absolutely, conditionally, solely or jointly with otherwise any tract or tracts of country, lands, estates, houses, farms, water rights, way-leases and other works, privileges, rights, hereditaments and any machinery, plant, utensils, trade marks or other movable and immovable property of any description whatsoever in any place in India or outside and to explore, survey, cultivate or develop and exploit the same subjects to law in force.
17. To develop the resources of and to turn to account any lands and any rights over to or connected with lands belonging to the company or in which the Company is interested by cleaning drainage, fencing, fencing, irrigating, grazing and soil conservation measure and by promoting irrigation and establishing of colonies and settlements.
18. To manage wholly or in part, jointly or otherwise, factories, farms, estates, gardens, forest plantations and other establishments or concerns manufacturing any forest, agricultural or animal products or by- products.

19. To undertake, Transport and execute any scheme of Government or any other authority related to forests or forestry and all kinds of agency business and trusts of all kinds.
20. To enter into and arrangements with the Government of India or any Government or any State or any local authority of India or elsewhere or with any Commercial or other companies or institutions or with any person that may seem conducive to the attainment of the objects of the Company or any of them and to apply, for obtain and to purchase on lease or otherwise, acquire and hold from any such Government, State, authority, company, Institution or person any charters, subsidies, loans, indemnities, contracts, rights, privileges, immunities, licenses, patents, decesses, sanctions, grants, monopolies, concessions whatsoever (whether statutory or otherwise) which the Company may think it desirable to obtain and acquire and to carry out exercise and comply with any such arrangements, charters, subsidies, loans, indemnities, contract, rights powers, privileges, immunities, licenses, patents, decrees, sanctions, grants, monopolies, and concessions, subject to the provisions of the Monopolies and Restrictive Trade Practices Act. 1969.
21. To promote tourism by establishing tourist centers and managing and developing existing and provide and promote the provision of facilities of every description to tourists, travelers and travel or tourist agents interested in sight-seeing forests or forest produce.
22. To sell or dispose of or transfer the business of the Company or any part thereof for lawful consideration as the Company may deem proper and in particular for shares, debentures or securities or any other company having objects altogether or in part similar to those of the Company.
23. To sell or dispose of or transfer the business of the Company or any part thereof for such lawful considerations as the Company may deem proper and in particular for shares, debentures or securities or any other company having objects altogether or in part similar to those of the Company.
24. To promote any company or companies for the purpose of acquiring all or any of the properties, rights and liabilities of the Company or for any other purpose calculated to benefit the Company directly or indirectly and to distribute as maybe resolved in species or otherwise, amongst the members of the company, the assets possessed or received by the Company.
25. To purchase, take on lease or otherwise acquire for the purpose of the Company, estates, lands, plantations, buildings, machinery, industrial units, roads, railways sidings or other interests in immovable property and to mortgage, sell, let on lease, convey, assign, or exchange and to manage in any other way the property and assets of the Company or any rights therein on such terms and conditions as the Company may think fit.
26. To purchase or otherwise acquire, erect, maintain, construct, repair and alter any building, sheds, offices, plants, machinery, drains, roads, bridges, culverts, gardens, wells, water-works, railways and railways sidings, stalls, godowns, fences and boundaries and all other structures found necessary or convenient for the purpose of the Company.
27. To raise, borrow, or secure moneys in such manner and on such terms as may deem expedient and in particular by issue of share capital, by way of loans, advances, deposits and issue of bonds, debentures or mortgages whether perpetual or otherwise and charged or not charged on the whole or any part of the rights or properties of the

Company including the uncalled capital and redeem, purchase or pay off any such securities.

28. To draw, accept, make endorse, discount and negotiate bills of exchange, hundies, promissory notes, bills of lading, delivery orders, warrants, warehouse keeping, certificates and other negotiable or commercial or commercial mercantile instruments for in the prosecution of the business of the Company subject to Reserve Bank of India's directives.
29. To receive grants, advances, loans or other moneys or deposits or otherwise from State of Central Government, Banks, companies, Financial Institutions, trusts or individuals with or without allowances of interest thereon but without doing the business of banking within the meaning of Banking Regulations Act. 1949.
30. To lend or deposit moneys belonging to, entrusted to or the disposal of the Company to or with such persons, firms, bodies, associations or companies on such terms as may deem expedient and in particular to customers and others having dealings with the Company with or without security upon such terms as may be thought proper and to guarantee the performance of contracts by any such persons, firms, bodies, associations or companies but not to do the business of banking as defined in Banking Regulations Act. 1949.
31. To invest the moneys of the Company, not in immediately required in such lawful manner than in the share of the Company as from time to time may be determined.
32. To organise, conduct or manage, engineering or repair shops or workshops of all descriptions and to manufacture, import, export, buy sell, or otherwise deal in workshop machinery, agriculture implements, machine tools and metals of all kinds, and to act as transport contractors and to purchase hire or otherwise obtain and operate vehicles and aircraft of all kinds.
33. To make advances upon or for the purchase of material goods, machinery, stores and other articles required for the purpose of the Company.
34. To carry on the business of a water-works company in all its branches and to sink wells, bores and shafts and to make, build, construct, lay down and maintain reservoirs water works, irrigation works, cisterns, culverts, filter -beds, mains and other pipes and appliances and to execute and do all other acts and things necessary for obtaining storing, selling, delivering, measuring and dealing in water.
35. To tender of purchase or otherwise acquire any contracts and concessions for or in relation to the construction, execution, carrying out equipment, improvement, management, administration or control of works and conveniences and to undertake, execute, carry out, dispose off or otherwise turn to account the same.
36. To let out on hire all or any of the properties of the Company including apparatus and appliances of the Company.
37. To improve, manage, work, develop, alter, sell exchange lease, mortgage, transfer, enfranchise, barter, turn to account, abandon, or otherwise deal with all or any part of the property, rights and concessions of the Company.
38. To pay all costs, charges, and expenses incidental to the promotion, formation, registration and establishing of the company or its branches and the issue of its capital including any underwriting or other commission, broker's fees, lawyer's charges and to remunerate in cash or in any other manner any person or persons, for services rendered or to be rendered in introducing any person or business to the company or in placing or assisting to place or guaranteeing the subscription of any shares,

debentures, stocks, or any other securities of the company or for any other reason and for arrangements made to and in anticipation may think proper.

39. To employ foresters, cultivators, gardeners, engineers, mechanics, masons, carpenters, scaffold setters, painters, electricians, and other technicians, salesman, commercial, and administrative staff and such other staff as may be found necessary for the efficient handling and conduct of the business of the Company.
40. To provide for the welfare of employees of the Company and the wives, widows and families of dependents or connections of such persons by establishing provident or other funds by grants of money or other payments and by providing or subscribing towards places of education, instruction and recreation and hospitals, dispensaries, medical to or for and otherwise help any charitable or benevolent object or any exhibition or any public show or useful, but the Company shall not give any political donations.
41. To train or to pay for training in India or abroad of any member of the staff of the Company or any other employee of the Company either in the present or likely to be in the employment of the Company in future, which training in the opinion of the Company is likely to benefit the Company in its day to day working knowledge, management, administration including research either in the field or in the laboratories.
42. To establish, provide, maintain, and conduct or otherwise or assist financially or otherwise research laboratories and experimental workshops for scientific and technical research and experiments and to undertake and carry on scientific and technical research experiments and tests of all kinds and to promote studies and research, both scientific and technical, investigations and invention by providing, subsidizing, endowing or assisting laboratories workshops, libraries, lectures, meetings and conferences and provide for the remuneration of scientific or technical professors, teachers or workers and by providing for merit awards, scholarships, prizes and grant to students or otherwise and generally to encourage, promote and reward studies, researches, investigations, experiments, tests and inventions of any kind that may be considered likely to assist any business in which the Company is interested.
43. To start and maintain houses, dispensaries or hospitals, gymkhanas, playgrounds, clubs, library, schools technical or otherwise, hostels, canteens, cinema houses, bus or other transport services and similar institutions either for the benefit of the Company's employees or otherwise.
44. To act as agent for Government or other authorities or any manufactures, merchants or others and to carry on agency business of every kind of any description.
45. To employ or pay experts, Indian or foreign consultants, in connections with planning and development and execution of all or any of the business connected with the Company's operations.
46. To create any depreciation fund, reserve fund, insurance fund, or any special or other fund, whether for depreciation or for repairing, replacing, 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 for equalizing dividends or for any other purposes whatsoever, and to transfer any such fund or part thereof to any of the other funds herein mentioned.
47. To use trade marks or trade or names for the products and goods of the Company and adopt such means of known the business and products of the Company or of any Company in which the Company is interested as may seem expedient and in particular

by purchase, by advertising in news papers, magazines, periodicals, by circulars, by purchase and exhibition, of works of art and interest by opening stalls and exhibitions, by publications and distribution of books and periodicals, calendars, almanacs and diaries, by distributing samples and by granting prizes, rewards and donations, but the company shall not give any political donations.

48. To establish or appoint and maintain agencies for branches in India and elsewhere and to regulate and discontinue the same, subject to law in force.
49. To establish, subscribe, to help or assist financially or otherwise centers of celebrations, fairs, market places, exhibitions, public shown or other activities of general interest.
50. To enter into any arrangements with Government for delegation of powers to various officers of the Company for management and protection of the land given either on lease or otherwise to the Company.
51. To manage wholly or in part, jointly or otherwise, factories, farms, estates, gardens, Forests, plantations and other establishments or concerns, manufacturing any forest, agriculture or animal products or by- products.
52. To enter into agreements or contracts with any Government, local authority, bodies association, firms, individuals companies or other organisations for technical, financial or any other assistance for carrying out all of any of the objects of the Company.
53. To enter into any partnership, agreement or arrangement for sharing profits, union of interest, co-operation or joint venture, reciprocal concession or otherwise with any person, company, association or firm having objects similar to those of the Company and calculated to benefit the Company and to carry on or conduct or liquidate or wind up any such partnership or arrangement purchased or otherwise acquired.
54. To amalgamate with any Company or companies having objects altogether or in part similar to those of the Company, subject to the provisions of the Monopolies and Restrictive Trade Practices Act, 1969.
55. To insure the whole or any part of the property or the Company either fully, or partially, to protect either fully or partially any liability or loss in respect thereof and also to insure and to protect and indemnify on mutual principal or otherwise and to pay all preliminary, incorporation and undertaking expenses.
56. To obtain any Act, of the Central or State Legislature, provisional order license of autonomous body or authority for enabling the Company to carry out any or its objects into effect or for effecting any modification of the Company's constitution of for any other purpose which may seem expedient.
and to oppose any proceedings or application which may seem calculated directly or indirectly to prejudice the Company]s interest.
57. To procure the registration or other recognition of the company in any country or place in or outside India.

58. To open and keep a register or registers in any country or State in India or abroad, wherever it may be deemed necessary and expedient to do so, subject to law in force.
59. To open account or accounts with any individual, firm or companies or with any bank or banks or banks and to pay into and to withdraw moneys from such account or accounts.
60. To distribute in species or otherwise as may be resolved any assets of the Company among its members and particularly the shares, debentures or other part of the assets or liabilities of the Company as may be permissible under law.
61. From time to time establish or to subscribe or contribute guarantee money or to give donation to any charitable, benevolent, religious, scientific or national trusts, funds, associations and institutions and to any other useful object purpose funds, institutions of a public character which in the opinion of the Board of Directors is likely to promote the interests of the business of the Company or to further its objects or to increase its repute or popularity among its employees, its customers, or the public or otherwise and/or so any charitable or useful funds whatsoever or for any exhibition,
62. To dedicate, present or otherwise dispose of either voluntarily or for value any property of the Company deemed to be of national, public or local interest, to any national trust, public body, museum corporation or authority or any trustee for or on behalf of any of the same or of the public.
63. To make donations to such persons or institutions either in cash or of any other assets as may be thought directly or indirectly conducive to attainment of any of the Company's objects, but the Company shall not give political donations.
64. To manufacture, process, prepare for market, refine and otherwise deal in all articles of bricks, cement or stone.
65. To undertake and execute either gratuitously or otherwise, any trusts the undertaking whereof may seem desirable.
66. To Carry on and engage in the business of providing consultancy and technical services in forestry, forest based industries and other allied industries within the objects of the Company.

C- Other Objects not included in above

67. To sell purchase, distribute, publish and otherwise deal in book, periodicals journals, magazines, news papers and to undertake other literary activities.
68. To carry on the business of printing books, periodicals, journals, magazines, newspapers, pictures, greeting cards and other articles.
69. To Promote or conduct any agricultural, commercial or industrial enterprise, establishment, company or concern.
70. To hold in the name of other any property which the Company is authorised to acquire

71. To employ experts to investigate and examine into the conditions, prospects, value, character and circumstances of any business concerns or undertaking and generally of any assets, concessions and properties or rights.
72. To aid peculiarly or otherwise, any association, body or movement having for an object the solution, settlement or surmounting of industrial or labour problems or troubles or the promotion of industry or trade, but the Company shall not act as a trade union.
73. To Communicate with Chambers of Commerce and other mercantile and public bodies in India and elsewhere, and concert and promote measures for the protection and advancement of trade, industry and commerce and other facilities.
74. To consider, originate and support improvement in the commercial and other laws affecting trade, commerce or manufacture and to promote legislation and other measures affecting such trade, commerce or manufacture, but the Company shall not act as a trade union.

IV. THE LIABILITY OF THE MEMBERS IS LIMITED.

The authorised share capital of the Company is Rs. 10,00,00,000 (Rs. Ten crores) divided into 10,00,000 (Ten Lakhs) equity shares of Rs. 100/- (One hundred) each with the rights, privileges and conditions attached thereto as are provided by the Articles of Association of the Company for the time being with power to increase or reduce the capital 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 manner as may be permitted by the Companies Act, 1956 or provided by the Articles of Association of the Company for the time being.

Capital 5. The authorised share capital of the Company is Rs. 10,00,00,000/ - (Rupees Ten Crores) divided into 10,00,000 (Ten Lakhs) equity shares of Rs. 100/- (Rupees One Hundred) each with powers to increase or decrease.

We the several persons whose names and address subscribed below are desirous of being formed into a company in pursuance of these Memorandum of Association and we respectfully agree to take the number of share in the capital of the company set opposite our respective names.

Sl No.	Name, Father's name address Occupation and discription of the Subscriber	No. of equity Share taken by subscriber	Signature	Name of withness address, and discription
1	Dr. Kalyan Kumar Chekravarty (I.A.S.) S/o Late Shri Hiralal Chekravarty Principal Secretary Forests Govt. of Chhattisgarh Raipur Service.	10 (Ten) equity share of Rs. 100/- (Rs. One Hundred) each	Sd/-	Sd/- K. Bhavanarayan S/o Ranga Rao B-7/11 Devendra Nagar- Raipur Service
2	Dr. Ramesh Chandra Sharma (I.F.S.) S/o Shri S.L. Sharma P.C.C.F. Chhattisgarh Service	10 (Ten) equity share of Rs. 100/- (Rs. One Hundred) each	Sd/-	Sd/- R.K.Agrawal S/o Late Shri B.N. Agrawal Phool Chowk Raipur (C.G.) Chartered Accountant
3	Dr. Suresh Chandra Jena (I.F.S.) S/p Shri Naba Kishore Jena Addl. P.C.C.F. Raipur (C.G.) Service	10 (Ten) equity share of Rs. 100/- (Rs. One Hundred) each	Sd/-	Sd/- B.R.Jain S/o Shri B.L.Jain Asstt.Manager (A) C-50 / Sec-II Devendra Nager Raipur (C.G.) Service

The Companies Act. 1956

GOVERNMENT COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

CHHATTISGARH RAJYA VAN VIKAS NIGAM LIMITED

2001

The Companies Act. 1956
GOVERNMENT COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
CHHATTISGARH RAJYA VAN VIKAS NIGAM LIMITED

INTERPRETATION

DEFINITION

1. In these articles unless there is anything repugnant to the subject, or context the following words shall have the meaning written against them :
 - (a) "Act" means the Companies Act, 1856;
 - (b) "Board" means the Board of Directors of the Company;
 - (c) "Bye laws" means the bye laws made by the Board of directors of the Company under these articles :
 - (d) "Capital" means the capital for the time being raised or authorised to be raised within the limit of the Company and also includes the paid up capital of the company.
 - (e) "Company" means Chhattisgarh Rajya Van Vikas Nigam Limited;
 - (f) "State Government" means the Government of Chhattisgarh State "Central Government" means Govt. of India.
 - (g) "Governor" means the Governor of the State of Chhattisgarh State.
 - (h) "Month" means a month reckoned according to the British Calendar;
 - (i) "Office" means the registered office for the time being of the Company;
 - (j) "Register" means register of members to be kept pursuant to Section 150 of the Act;
 - (k) "Share" means the shares of stock into which the capital is divided and the interest corresponding with such shares or stock;
 - (l) "Directors" means the Board of Directors for the time being of the Company.
 - (m) "Executors" or "Administrator" means a person who has obtained who has obtained probate or letters of administration as the one may be from a competent court;
 - (n) "In writing" or "Written" includes printing, lithography and other modes representing or reproducing words in visible form;
 - (o) "Regulations of the Company" means the regulations for the time being in force for the management o the Company.
 - (p) "Seal" means the common seal for the time being of the Company.
 - (q) "Chairman" means the Chairman of the Board of Directors for the time being of the Company; and
 - (r) "Year" means the financial year.

All words and expressions used but not defined in these Articles and defined in the Act shall have the meanings respectively assigned to them in the Act.

*Company to be a
Private Company*

2. Regulations contained in Table-A of Schedule I of the Act shall not apply to the Company except in so far as they have been specifically included and expressly made applicable by or under these Articles.

PRIVATE COMPANY

3. This Company is a Private Company within the meaning of Section 2 (35) and (3) (i) and (iii) of the Act and accordingly :
 - 3-A The right to transfer shares of the Company is restricted as hereinafter provided;
 - 3-B The number of members for the time being of the Company (exclusive of persons who are in the employment of the company and persons who having been formerly in the employment of the Company, were members of the Company while in that employment and have continued to be members after the employment ceased) is not to exceed fifty, but where two or more persons in the Company hold one or more shares jointly, they shall, for the purposes of this article, be treated as a single member,
 - 3-C Any invitation to the public to subscribe for any shares or debentures of the Company is hereby prohibited.
 - 3-D The Company will have a minimum paid up capital of Rs. 1 Lac or such other amount, which may be prescribed from time to time.
 - 3-E The Company can not collect amount from public by way of deposit.

Company to be governed by these Articles

4. The articles for the management of the Company and for the observance of the members thereof and their representatives shall, subject to any exercise of the statutory powers of the Company in references to the repeal or alteration or addition to its articles by special resolution, as prescribed or permitted by the Act, be such as are contained in these Articles.

AUTHORISED SHARE CAPITAL

Capital

5. The authorised share capital of the Company is Rs. 10,00,00,000/- (Rupees Ten Crores) divided into 10,00,000 (Ten Lakhs) equity shares of Rs. 100/- (Rupees One Hundred) each with powers to increase or decrease.

State Govt. and Central Govt. to provide share Capital

6. The Central Government and the State Government may provide to the Company any share capital that may be required by the company or for the purposes connected therewith.

Issue and redemption of preference Shares

7. Subject to the provisions of section 80 of the Act, any preference shares may, with the sanction of an ordinary resolution be issued on the terms that are at the option of the Company, are liable to be redeemed on such terms and in such manner as the Company before the issue of the shares may be special

Variation in rights attached to different

8. If any time the share capital is divided into different classes of shares the rights attached to any class (unless otherwise provided by the

- classes of shares* terms of provisions of the Act and whether or not the company is wound up) e varied with the consent in writing of the holders or not less than three fourths of the issued shares of that class or by a special resolution passed at a separate general meeting of the holders of the shares of the class. To every such separate general meeting the provisions of the regulations to general meeting shall *mutates mutandis* apply but the necessary quorum b tow persons at least holding or representing by proxy one third of the issued shares of the class in question.
- Allotment of Shares* 9. Subject to the provisions of the Act and these Articles, shares shall be under the control of the Board of Directors, which may allot or otherwise dispose off the same to such persons on such terms and conditions as may think fit. Subject to the Companies (Issue of Share Certificates) Rules, 1960 every person whose name is entered as a member in the register of members shall without payment be entitled to a certificate under the common seal of the Company specifying the share or shares held by him and the amount paid up thereon.
- Shares Certificates* 10. Provided that in respect of share of shares held jointly by several persons the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all. A certificate for a share shall be signed in te manner required under issue of Share Certificate Rules.
- Provided that in respect of share or shares held jointly by several persons the Company of a certification for a share to one of several joint holders shall be sufficient delivery of all. A certificate for a share shall be signed in the manner required under issue of Share Certificate Rules.
- Issue of new share Certificate in place of the one defaced, lost or destroyed* 11. If a share certificate is defaced, lost or destroyed, it may be renewed on payment of such fees, if any, not exceeding one rupee 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 Board thinks fit.
- Restriction in Employment of the company's funds* 12. Except to the extent allowed by the Act, no part of the funds of the Company shall be employed in the purchase of or in loans upon the security of the Company's shares.

IV. CALLS ON SHARES AND FORFEITURE

- Calls on Shares* 13. The Board may from time to time make calls upon the members in respect of any moneys unpaid on their shares and specify the time or times of payments and each member shall pay to the Company at the time or times so specified the amount called on his shares.
- Provided, however, that the Directors may from time to time at their discretion extend the time fixed for the payment of any call.
- When interest on call payable* 14. If the sum payable in respect of any call be not paid on or before the day appointed for payment thereof the holder for the time being or the allottee of the share in respect of which a call shall have been

made shall pay interest on the same at such rate not exceeding 18% per annum as the Directors shall fix from the day appointed for the payment thereof to the time of actual payment but the Directors may waive payment of such interest, wholly or in part.

If money payable on share not paid notice to be given to member

15. If any member fails to pay any installment of a call on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Board of Directors may, at any time thereafter, during such time as the call or installment remains unpaid give notice to him requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non payment.

16. For the purposes of the provisions of these presents relating to forfeiture of shares, the sum payable upon allotment in respect of a share shall be deemed to call payable upon such share on the day of allotment.

Form of Notice

17. The notices shall name a day (not being less than fourteen days from the date of the notice) and a place or places on and at which such call or installment and such interest thereon at such rate and expenses as aforesaid are to be paid. The notice shall also state that, in the event of non payment at or before the time and at the place appointed, the share in respect of which the call was made or installment is payable will be liable to be forfeited.

In default of payment shares to be forfeited

18. If the requirements of any such notice as aforesaid shall not be complied with every or any share in respect of which such notice has been given may at anytime thereafter before payment of all calls or installments, interest and expenses due in respect thereof be forfeited by a resolution of the Board of Directors to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited shares and not actually paid before the forfeiture.

Notice of forfeiture to a member

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

Forfeited share to be the property of the company and may be sold etc.

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

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

21. Any member whose share have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company on demand all calls installments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture together with interest thereon from the time of the forfeiture until payment, at such rate not exceeding Eighteen percent per annum as the Board of Directors may determine and the Board of Directors may enforce the payment of such moneys or any part thereof, if it thinks fit but shall not be under any obligation so to do.

- Effect of forfeiture* 22. The forfeiture of a share shall involve extinction at the time of the forfeiture of all interest in and all claims and demands against the company in respect of the share and all other rights incidental to the share except only such these rights as by these Articles are expressly saved;
- Power to annul of forfeiture* 23. The Board of Directors may at any time before any share so forfeited shall have been sold re-allotted or otherwise disposed off, annul the forfeiture thereof upon such conditions as it think fit.
- Validity of forfeiture* 24. (1) A duly verified declaration in writing that the declarant is a Director, Managing Director or Manager or Secretary of the Company and that a share in the Company has been duly forfeited in accordance with these Articles 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, re-allotment or other disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed.
- (3) The person to whom such share is sold, re-allotted or disposed off shall thereupon be registered as the holder of the shares.
- (4) Any Such purchaser or allottee shall not (unless by express agreement) be liable to pay any calls, amounts, installments, interest and expenses owing to the Company prior to such purchase or allotment nor shall be entitled (unless by express agreement) to any of the dividends, interest or bonus accrued or which might have accrued upon the shares before the time of completing such purchase or before such allotment.
- (5) Such purchaser or allottee 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 I the proceedings in reference to the forfeiture, sale re-allotment or other disposal of the share.
- Provision of these Articles as to forfeiture to apply in case of nonpayment of any sum* 25. 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 a share become payable at a fixed time, whether on account of the nominal value of a share or by way of premium as if the same had been payable by virtue of a call duly made and notified.
- Cancellation of share certificates in respect of forfeited shares.* 26. Upon any sale, re allotment or other disposal under the provisions or the preceding of the articles the certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect and the Directors shall be entitled to issue a new certificate or certificates in respect of the said shares to the persons entitled thereto.
- Surrender of shares* 27. The directors may subject to the provisions of the Act accept a surrender of any share from or for any member desirous of

surrendering on such terms as think fit.

*Payment in
anticipation of calls
may carry interest*

28. The Board of Directors may if it thinks fit agree to and receive from any member willing to advance the same, all or any part of the amount due upon the shares held by him beyond the sums actually called PROVIDED THAT money paid up in advance of calls shall not confer a right to participate in profits or dividend. Upon the moneys so paid in advance or upon so much thereof, from time and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of shares on account of which such advances are made, the Board of Directors may pay or allow interest at such rate not exceeding unless the company in general meeting shall otherwise direct, nine percent per annum as the member paying the sum in advance and the Board of Directors agree upon. The Board of Directors may agree to repay at any time any amount so advanced or at any time may repay the same upon giving to such members three months notice in writing. No member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would, but for such payment, become presently payable.

*Joint holders
liability to pay*

29. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

*Trust not to be
recognized as
share holder.*

30. No person shall be recognized by the Company holding any share upon any trust and the company shall not be bound by or required to recognize any equitable, contingent, future or partial interest in any share or any right whatsoever in respect of any share other than an absolute right to the entirety thereof in the registered holder except as by these Articles otherwise expressly provided or as by the Act required or pursuant to any order of a Court

V. LIEN ON SHARES

*Company lien on
shares*

31. The company shall have the first and paramount lien on every share (not being a fully paid share) for moneys (whether presently payable or not) called or payable at a fixed time in respect of that share, and the company shall also have a lien on all shares (other than fully paid shares) standing registered in the name of a single person for all money presently payable by him or from his estate to the Company, but the Directors may at any time declare any share to be wholly or in part exempt from the provisions of this article. The company's lien if any on the share shall extend to all dividends payable thereon provided that the Board may at any time declare any share to be wholly or in part exempt from the provisions of this Article.

*Enforcement of lien
by sale.*

32. The Company may sell in such manner as the Directors think fit any shares on which the Company has a lien but no sale shall be made unless a sum in respect of which the lien exists in presently payable nor until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable has been given to the registered holder for the time of the share or the persons entitled

thereto by reason of his death or insolvency.

- Application of sale proceeds.* 33. The proceeds of the sale received by the Company shall be applied in payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any shall (subject to a like lien for sums not presently payable as existed upon the shares prior to the sale) be paid to the persons entitled to the shares on the date of the sale. The purchaser shall be registered as the holder of shares and he shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

VI. TRANSFER OF SHARES

- Transfer of shares* 34. The right of members to transfer their shares shall be restricted as follows:
- (i) A share may be transferred by a member or other person entitled to transfer only to a member, his relative and friends approved by the Board of Directors.
 - (ii) The Directors may, in their absolute and uncontrolled discretion, refuse to register any proposed transfer of shares.

- Name of refusal to register transfer* 35. If the Directors refuse to register the transfer of any shares they shall within two months of the date on which the instrument of transfer is delivered to the company send to the transferee and the transferor notice of the refusal.

- Company not bound to recognize any interest in shares other than that of the registered holder.* 36. Save as herein otherwise provided the Directors 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 recognize any trust of equity or equitable contingent, future, partial or other interest in such share on the part of any persons, whether or not it shall have express or implied notice thereof.

- Execution of Transfer* 37. The instrument of transfer of any share in the Company shall be executed by both the transferor and the transferee and the transferors shall be deemed to remain holder of the share until the name of the transferee is entered in the register of members in respect thereof.

- Form of Transfer* 38. Shares in the Company shall be transferred in Form 7(b) prescribed in the Companies (Central Government's) General Rules and Forms, 1956.

- Instrument of transfer to be left at office and evidence of title to be given* 39. Every instrument of transfer shall be deposited or left at the office for registration accompanied by the certificate of share to be transferred and such evidence as the Company may require to prove the title of the transferor or his right to transfer the shares. All instruments of transfer shall be retained by the Company but any instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the same.

- Fee of Transfer.* 40. A free not exceeding Two rupees may be charged for each transfer and shall if required by the Directors be paid before the registration

thereof.

- When register of members and debenture holders may be closed* 41. The register of members or the register of debenture holders may be closed for any period or periods not exceeding in the aggregate 45 days in any year but not exceeding 30 days at any one time after giving not less than 7 days previous notice by advertisement in some newspapers circulating in the District in which the registered office of the Company is situated.
- Directors rights to refuse registration subject to the provision of section -3 of the Act.* 42. The Directors shall have the same right to refuse to register the name of a person entitled by transmission to any shares or his nominee as if he were the transferee named in a ordinary transfer presented for registration.
- Transmission of shares* 43. Upon the death of a sole registered share holder so far as the Company is concerned the legal representatives of the deceased shareholders shall be the only persons having title in such shares.

VII. ALTERATION OF CAPITAL

- Power to increase capital.* 44. The Company in general meeting may increase the share capital sum to be divided into shares of such amount as may be specified in the resolution.
- On what condition new shares may be issued.* 45. New shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the Company may in its general meeting direct and if so such direction be given as the Directors shall determine.
- How for new shares to rank with shares in original capital* 46. Except so far as otherwise provided by the conditions of issue or by these Articles any capital raised by the creation of new shares shall be considered part of the existing capital and shall be subject to the provision herein contained with reference to the payment of calls and installments, forfeiture, transfer and transmission, lien, voting, surrender or otherwise.
- Further issue of capital* 47. The new shares shall be offered to the members in proportion to the existing shares held by each member and such offer shall be made by notice specifying the number of shares to which the member is entitled and limiting a time within which the offer if not accepted will be deemed to have been declined and after the expiration of such time or on receipt of an intimation from the member to whom such notice is given that he declines to accept the shares offered, the directors may dispose of the same in such manner as they think most beneficial to the Company.
- Reduction of capital* 48. Subject to the provisions of section 100 to 104 of the Act the company may from time to time by special resolution reduce its capital by paying off capital or canceling capital which has been lost or is unrepresented by available assets or is superfluous or by reducing the liability on the shares or otherwise as may seem expedient and capital may be paid off upon the footing that it may be called up again or otherwise and the Directors may subject to the provisions of the Act accept surrender of share.

Sub-division and consolidation of shares 49. The Company in general meeting may from time to time sub-divide or consolidate its shares or any of them and exercise any of the other powers conferred by section 94 of the Act and shall file with the Registrar notice as required by section 95 of the Act or exercise of any such powers.

Modification of rights 50. Whenever the capital by reason of the issue of preference shares or otherwise is divided into different classes of shares or otherwise is divided into different classes of shares or any of the rights and privileges attached to each class may, subject to the provisions of sections 106 and 107 of the Act, be varied modified commuted affected or abrogated or dealt with consent in writing of the holders of not less than three fourth of the issued capital of that class or with the sanction of a special resolution passed at a separate general meeting of the holders of shares of that class and all the provisions hereafter contained as to general meeting shall mutatis mutandis apply to every such meeting. This article is not to derogate from any power the Company would have if this article was omitted. The rights conferred upon the holders of the shares (including preference shares if any) of any class issued with preferred or other rights or privileges shall unless otherwise expressly provided by the terms of the issue of shares of that class be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares ranking pari passu therewith.

VIII. BORROWING POWERS

Power to borrow 51. The Directors may from time to time, borrow or secure the payment of any sum or sums of money, for the purposes of the Company by means of a resolution passed at a meeting of the Board.

Conditions which money may be borrowed 52. The Directors may secure the repayment of such moneys, 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-stocks or any mortgage charge or other security on the undertaking of the whole or any part of the property of the Company (both present and future) including its uncalled capital for the time being .

Securities may be assignable free from equities. 53. Debentures, debenture-stocks, bonds or other securities made assignable are free from any equities between the Company and the person to whom the same may be issued.

Issue at discount or with special privilege 54. Subject to the provisions of Section 117 of the Act, any debentures debenture stocks bonds, or other securities may be issued at a discount, premium or otherwise and with any special privileges as to redemption, surrender drawings, allotment of shares, appointment of Directors and otherwise.

Indemnity to be given. 55. 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 Director may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part

of the assets of the Company, by way of indemnity, to secure the directors or persons so becoming liable as aforesaid from any loss in respect of such liability.

IX GENERAL MEETINGS

- Annual General Meeting.*
56. 1 The first Annual General Meeting of the Company shall be held within eighteen months of its incorporation. The company shall in each year hold in addition to any other meetings a general meeting as its Annual General Meeting in accordance with the provisions of Sections 166 and 210 of the Act and shall specify the meeting as such in the notice calling it. Except in the case where the Registrar, has given an extension of time for holding any annual general meeting not more than fifteen months shall elapse between the date of one Annual General Meeting of the company and that of the next.
- Provided that if the Registrar shall have, for special reason, extended the time within which any Annual General Meeting shall be held, such Annual General Meeting may be held within the additional time.
- 2.(a) Every Annual General Meeting shall be called at a time during business hours or any a day that is not a public holiday, and shall be held at the registered office of the Company or at some other place within the city or town or village in which the registered office of the Company is situated for the time being.
- 2.(b) All general meetings other than annual general Meeting shall be called extra ordinary general Meetings.
3. Every member of the Company shall be entitled to attend either in person or by proxy and the Auditor of the Company shall have the right to attend and to be heard at any general meeting which he attends on any part of the business which concerns him as auditor
- When extraordinary meeting to be called.*
57. Subject to the Provisions of Section 169 of the Act, the Directors may, whenever they think fit, on the requisition of the holders of not less than one tenth of the paid up capital of the company as at that date carried a right of voting in regard to that matter and on which all calls or other sums then due have been paid shall forthwith proceed to convene an extra ordinary General Meeting of the company and in the case of such requisition, the following provisions shall have effect.
1. The requisition must state the matters for consideration of the meeting and must be signed by the requisitionists and deposited at the office and may consist of several documents in like form each signed by one or more requisitionists.
 2. If the directors of the Company do not proceed within twenty one days from the date of the deposit of the valid requisition to cause a meeting to be called for the consideration of these matters on a day not later than forty five days from the date of the deposit of the requisition, the requisitions or a majority of

them in value of the paid up share capital held by all of them or not less than one tenth of such of the paid up share capital of the company referred to above whichever is less, may themselves convene the meeting, but any meeting so convened shall be held within three months from the date of the deposit, of the requisition.

3. Any meeting convened under this Article by the requisitionists shall be convened in the same manner as nearly as possible in which meetings are to be convened by the Directors. If a requisition has been received, it is not possible for a sufficient number of Directors to meet in time so as to form a quorum, any Director may convene an extra-ordinary General meeting in the same manner as nearly as possible as that in which meetings are convened by the Directors.

- Notice of meeting* 58. An annual general meeting/extra ordinary general meeting and a General Meeting of the Company may be called by giving not less than twenty one days notice in writing specifying the place, day and hour of the meeting with a statement of the business to be transacted at the meeting. Such a notice shall be served on each member in the manner hereinafter.

Provided but with the consent in writing of all the members entitled to receive the notice of the same any particular meeting may be convened at such shorter notice and in such a manner as those members may think fit.

Provided, however, that where any resolution at any general meeting as required by sub-section (2) of section 189 of the Act, is intended to be passed as a special resolution, notice of such a meeting specifying the intention to propose the resolution as a special resolution shall be served along with explanatory statement as required under section 173(2) of the Act, Every notice convening a meeting shall state that the member entitled to attend and vote is entitled to appoint proxy to vote and attend instead of himself and that the proxy need not be a member of the Company.

- Omission to give notice* 59. The accidental omission to give notice to, or the non-receipt of notice, by any member or other person to whom it should be given shall not invalidate the proceedings of the meeting.

X. PROCEEDINGS OF GNERAL MEETING

- Business at Annual General Meeting.* 60. The business at 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 of the Auditors to declare dividends, to appoint and fix the remuneration of Auditors, to appoint Directors in the place of those retiring and to transact any other business which under these Articles ought to be transacted at an Annual General Meeting. All other business transacted at an Annual General Meeting and ass the business at an extraordinary meeting shall be deemed to be special.

- Quorum* 61. Two members present in person of whom one shall be a representative of the Governor shall form quorum for a general meeting.
- Right of Governor to appoint any person as his representative* 62. (1) The Governor, so long as he is a share-holder in the Company, may from time to time appoint one or more persons (who need not be a member of members of the Company) to represent him at all or any of the meetings of the Company.
- (2) Any one of the persons appointed under sub-clause (1) of this Article who is personally present at the meeting shall be deemed to be a member and shall be entitled to exercise the same rights and powers (including right to vote by proxy) as the Governor could as member of the Company.)
- (3) The Governor may from time to time, cancel any appointment made under sub-clause (i) of this article and make fresh appointments.
- (4) The production at the meeting of an order of the Governor as is provided in the Constitution of India shall be accepted by the company as sufficient evidence of any such appointment of cancellation as aforesaid.
- Chairman of General Meeting* 63. The Chairman of the Board of Directors shall be entitled to take the Chair at every General Meeting or if there be no such Chairman or if at any meeting he is not present within half an hour after the time appointed for holding such meeting or if he is present but is unwilling to act as Chairman, the Directors present shall choose one of them as Chairman and if no Director shall be present or if all the Directors present decline to take the Chair then the members present shall choose one of them to be the Chairman.
- When Quorum is not present meeting to be dissolved and when to be adjourned* 64. If within half an hour from the time appointed for the meeting, a quorum is not present, the meeting, if convened upon such requisition as aforesaid, shall be dissolved, but in any other case it shall stand adjourned to the same by the next week at the same time and place and if at such adjourned meeting also a quorum is not present within half an hour from the time appointed, the members present shall be a quorum and may transact the business for which the meeting was called.
- How question to be decided at meeting* 65. Every resolution submitted to a meeting shall be decided in the first instant by a show of hands and in the case of an equality of votes, the Chairman shall both on a show of hands and a poll (If any) have a casting vote in addition to the vote or votes to which he may be entitled to as member.
- What is to be done in evidence of the passing of a Resolution where poll not demanded ?* 66. 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 representatives, and unless a poll is so demanded a declaration by the Chairman that a resolution has in a show of hands been carried

or carried unanimously or by a particular majority or lost and an entry to that effect in the book of proceedings of the Company shall be conclusive evidence of the fact without proof of the number of proportion of the votes recorded in favour of or against the resolution.

What is to be done in evidence of the passing of a Resolution where poll is demanded ?

67. If a poll in duly demanded in accordance with section 179 of the Act, it shall be taken in such a manner and at such a time and place as the Chairman of the meeting directs and either at once, or after an interval or adjournment or otherwise and the results 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 at any time before the poll is taken.

Power to adjourn General Meeting

68. The Chairman of a general meeting may, with the consent of the members present at a meeting adjourn the same from time to time and from place to place, but no business left unfinished at the meeting from which the adjournment took place.

In what case poll taken without adjournment

69. Subject to the provisions of section 180 of the Act, any poll duly demanded on the election of the Chairman of a meeting or on any question of adjournment shall be taken at the meeting and without adjournment.

Business may proceed notwithstanding demand of poll

70. The demand of poll except on the question of election of Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded .

Chairman to be the sole judge of validity of vote.

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

XI. VOTES OF MEMBERS

Votes of members

72. Upon a show of hands every member present in person shall have one vote and upon a poll every member present in person or by proxy or by duly authorised representative shall have voting rights in proportion to his share of the paid up equity share capital of the Company.

Votes in respect of deceased and bankrupt members

73. Any person entitled on the transmission of any share may vote at any general meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that forty eight hours at least 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 Director of his right to such shares unless the Directors shall have previously admitted his right to such shares or his right to vote at such meeting in respect thereof .

Joint Holders

74. Where there are joint registered holders of any share any one of the such persons may vote at any meeting either personally or by proxy, in respect of such shares as if he were solely entitled thereto, and if

more than one such joint holders be present the joint holder whose name stands first on the register in respect of such share shall alone be entitled to vote in respect thereof. Several executors or administrators of a deceased member in whose name any share stands shall for the purposes of this Article be deemed joint holders thereof.

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| <p>Votes in respect of shares of members of unsound mind</p> | <p>75. A member of unsound mind or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, either on a show of hands or on poll by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.</p> |
| <p>Proxies Permitted</p> | <p>76. On a poll votes may be given either personally or by proxy or by duly authorised representative.</p> |
| <p><i>Instruments appointing proxy to be in writing</i></p> | <p>77. A member entitled to attend and vote at a meeting may appoint another person (whether a member or not) as his proxy to attend a meeting and vote on a poll. No member shall appoint more than one proxy to attend on the same occasion. A proxy shall not be entitled to speak at a meetings or to vote except on a poll. The instrument appointing a proxy shall be in writing in accordance with Schedule IX to the Companies Act, 1956 and be signed by the appointers or his attorney duly authorised in writing or if the appointer is a body corporate by under its seal or be signed by an officer or any attorney duly authorised by it.</p> |
| <p>Instrument appointing proxy to be deposited at office</p> | <p>78. The instrument appointing a proxy and the power of attorney or other authority if any under which it is signed or a notarily certified copy of that power or authority shall be deposited at the registered office of the Company not less than forty eight hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposed to vote.</p> |
| <p><i>When vote by proxy valid through authority revoked</i></p> | <p>79. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed or the transfer of the shares in respect of which the proxy is given provided that no intimation in writing of such death, insanity, revocation of transfer shall have been received at the office of the Company before the commencement of the meeting or adjourned meeting at which the proxy is used.</p> |
| <p><i>Form of proxy</i></p> | <p>80. An instrument appointing a proxy shall be in any of the forms as laid down in Schedule IX to the Act.</p> |
| <p><i>No member entitled to vote etc., while call due to Company</i></p> | <p>81. No member shall be entitled to be present or to vote on any question either personally or by proxy at any general meeting or upon a poll or be reckoned in quorum in respect of any shares whilst any call or other sum shall be due and presently payable to the Company in respect of any of such shares (25) such members or in regard to which the Company has exercised any lien.</p> |
| <p><i>Time for objection to vote.</i></p> | <p>82. No. objection shall be made to the validity of any vote except at the meeting or adjourned meeting at which such vote shall be tendered and every vote whether given personally or by proxy, not disallowed at such meeting shall be deemed valid for all purposes of such</p> |

meeting whatsoever any such objection made in the time shall be referred to the Chairman of the meeting.

XII. BOARD OF DIRECTORS

- Number of Directors* 83. (i) Subject to the provisions of section 252 of the Act, the Government shall, from time to time, determine in writing the number of Director of the Company which however shall not be less than two or more than eleven.
- (ii) The following shall be the first Directors :-
1. Dr. KALYAN KUMAR CHAKRAVARTY
2. Dr. RAMESH CHANDRA SHARMA
3. Dr. SURESH CHANDRA JENA
- Qualification Shares* (iii) The Directors shall not be required to hold any qualification shares.
- Appointment of Directors* 84. (i) All the Directors, shall be appointed by the Governor and hold office at the pleasure of the Governor. All the Directors excepting the Chairman [whole time Director or Directors by whatever name called] and the Managing Director shall retire, on the day, preceding the day of the next annual general meeting. A retiring Director, Chairman will be eligible for re- appointment.
- (ia) Notwithstanding anything contained in sub-clause (i) above, but subject to the provisions of clause (ii) below, the Chairman/Vice Chairman/non-official Director, shall relinquish office on completion of a term of two years from the date of appointment. The Governor may, however, in his absolute discretion, at any time increase/reduce the term/period for which any person appointed as Chairman/ Vice Chairman shall hold office.
- (ii) The Governor shall have the power to remove, any directors including the Chairman [whole time Director or Directors] and the Managing Director, if any from office at any time in his absolute discretion keeping in view provisions of section 252 of at the Act.
- (iii) The Governor shall have the right to fill any vacancy in the office of the Directors [including Chairman, Managing Director and whole time Directors] caused by removal, resignation, death or otherwise.
- (iv) Subject to the provisions of the section 297, 299, 301 of the Act, a Director shall cease to hold office, if he directly or indirectly deals in any of the commodities in which the company is
- (26)
- Remuneration of Directors* 85. The Directors shall be paid such sum as may be fixed by the Governor as and by way of sitting fees for each meeting of the Board of Directors or of any Committee thereof. In addition thereto a Director who attends a meeting as the places other than his usual

place of residence for the purpose of attending a meeting such sum as the Governor may consider fair compensation for traveling, hotel and other incidental expenses, properly incurred by him may be paid in addition to his fee for attending such meeting as specified above. 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.

Explanation :- For the purpose of sub clause (i) (a) above, non official director shall mean a director who is not a serving members of an All India Service/State service.

XIII. POWERS AND DUTIES OF THE BOARD OF DIRECTOR

General powers of the Company vested in the Board of Directors

86. (i) The business of the Company shall be managed by the Board of Director, who may pa all expenses incurred in getting the Company registered.

(ii) Subject to the Provisions of the Act, the Board shall be entitled to exercise, all such powers and do all such acts and things as the Company is authorised to exercise and do:

Provided that the Board shall not exercise any power or do any acts or things which are directly or indirectly required, whether by the Act or by the Memorandum and Articles of Association of the Company in General Meetings.

Provided further that in exercising any such power or doing any such act or things, the Board shall exercise subject to the provisions contained in that behalf, in the Act or any other Act or in the Memorandum and Article of Association of the Company or in the regulations not inconsistent therewith and duly made there under including regulations made by the Company in General Meeting.

(iii) No regulation made by the Company in General Meeting shall invalidate any prior act of the Board, which would have been valid, if that regulation had not been made.

Special powers of Directors

87. Without prejudice to the general powers conferred by article 86 and the other powers conferred these by these Articles but subject to the provisions of section 292 of the Act the Directors shall have the following powers :

To acquire property

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

Works of capital nature

(ii) To authorised the undertaking of work of a capital nature subject to the condition that all cases involving a capital expenditure exceeding Rs. 10,00.00 (Rupees Ten Lakhs) shall be referred to the Governor for his approval before authorisation:

To pay for property,

(iii) To pay for an property rights or privileges acquired by or services

<i>in debentures</i>	rendered to the Company either wholly or partially in cash or in shares, bonds, debenture or other securities of the Company and any such shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon, and any such bonds, debentures or other securities may be either specially charged upon all or any part of the property of the Company and its uncalled capital or not so charged:
<i>To secure contracts by mortgage</i>	(iv) To secure the fulfillment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such other manner as they may thin fit.
<i>To appoint officers</i>	(v) To appoint at their discretion remove or suspend such mangers, secretaries, officers, clerks, agents servants permanent, temporary or special service, as they from time to time think fit and to determine their powers and duties and fix their salaries or emolument and to require security of such amount as they thins fir in such instances provided that no posts will be created without the prior approval of the Governor.
<i>To appoint trustees</i>	(vi) To appoint any person or persons (whether incorporated or not) to accept and hold in trust for Company and property belonging to the Company or in which it is interested or for any other purposes and to execute and do such deeds and things as may be requisite in relation to any such trust and to provide for the remuneration of such trustee or trustees :
<i>To bring and defend action against the Company</i>	(vii) To institute, conduct, defer, compound or abandon any legal proceeding by or against the Company, or its officers or otherwise concerning the affairs of the Company and also to compound and allow time for payment or satisfaction To issue receipts action of any claims or demands by or against the Company.
<i>Arbitration</i>	(viii) To refer any claims or demands by or against the Company to arbitration and observe and perform the awards:
<i>To issue receipts</i>	(ix) To make and give receipts, releases and other discharges for money payable to the Company and for the claims and demands of the Company.
<i>Authorisation of signature on companies behalf</i>	(x) To determine the person who shall be entitled to sign on the Company's behalf bills notes, receipts, acceptances, endorsements cheques, releases, contracts and documents.
<i>Appointment of attorney</i>	(xi) To appoint any person to be the attorney or agent of the Company with such powers (including power to sub-delegate) and upon such terms as the Directors may deem fit:
<i>To invest Money</i>	(xii) To invest any moneys of the Company not immediately required for the purpose, subject to such general or special directives if any given by the Company in general meetings in this behalf, in securities or in any scheduled bank or banks to be specifically decided by the Board for having call deposits and opening current accounts and deal with any of the money of the Company upon such investments authorised by the Memorandum of Association of the Company (not being shares in this company) and in such manners it thinks fit, and from

time to time to vary the release of such investment.

- To execute mortgages by way of indemnity* (xiii) 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) they think fit and any such mortgages any contain a power of sale and such other powers, covenants and provisions as shall be agreed upon.
- To give commission.* (xiv) To give to any person employed by the company a commission on the profits of any particular business transaction or a share in the general profits and such commission or share of profits shall be treated as part of the working expenses of Company
- Power to make by-laws* (xv) From time to time to make, vary and repeal bye-laws for the regulation of the business of the Company, its officers and servants;
- To give awards* (xvi) To give award or allow any bonus, pension, gratuity or compensation to any employee of the Company or his widow, children or dependents that may appear to the Director just and proper whether such employee, his widow, children or dependants have or have not a legal claim upon the Company.
- To form fund* (xvii) Before declaring any dividend to set such portion of the profits to the Company as they may think fit. To form a fund to provide for such pension gratuities or compensation or to create any provident or benefit fund in such manner as the Directors may deem fit;
- To establish local Boards or committees* (xviii) From time to time and at any time to establish any local committee for managing any of the affairs of the company in any specified locality in the State of Chhattisgarh and to appoint any persons, to be members of such Local Board and to fix their remuneration and from time to time and any time to delegate to any person so appointed and of the powers, authorities and discretion for the time being vested in the Director other than their power to make call 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 any vacancies, and any such appointment or delegation may be made in such terms and subject to such conditions as the Director may think fit and the Directors may at any time remove any person so appointed and annul or vary any such delegation.
- To make contract etc.* (xix) To enter into all such negotiations and contracts and rescind and vary all such contracts and execute and do all such acts, deeds and things in the name and on behalf of the company as they may consider expedient for or in relation to any of the matters aforesaid or otherwise for the purpose of the company and
- Delegation of powers* (xx) Subject to Section 292 of the Act to delegate all or any of the powers, authority, and discretion for the time being vested in them and authorised further sub-delegation subject however to the ultimate control and authority being retained by them.
- Appointment of Managing Director* 88. (1) Subject to the provisions of section 197A of the Act, the Governor may appoint, any one or more of the Directors of the

Board to be the Managing Director or Managing Directors for such period and upon such terms as he may think fit, for the conduct of management of the business of the Company subject to control direction and supervision of the Board of Directors. The Managing Director or Managing Director so appointed may be authorised by the Board to exercise such of the powers, authority and discretion in relation to the affairs of the company as are specifically delegated to him/them by the Board and are not required to be done by the Board of Directors of the Company at the general meeting under the Act,

- (2) The Managing Director or Managing Directors shall be paid such salary and allowances as may be fixed by the board;
- (3) In the absence of the Managing Director on leave or otherwise the Board with the prior approval of the Governor, empower any other Director or any principal officer of the Company to perform all or any of his functions and duties;

Provided that where such absence is not likely to exceed three months, the prior approval of the Governor is not necessary.

*General
management in the
hands of the
Managing Director*

- (4) The Managing Directors subject of the provisions of the Act, and these articles shall be entitled to the management of the whole of the affairs of the Company and he shall exercise his powers as such Managing Director subject only to the superintendence, control and directions of the Board of Directors of the Company.

*Managing Director
may sub-delegate*

- (5) The Managing Director may be authorised by the Board to sub-delegate such of his powers as he may think fit to other officers of the Company subordinate to him and such sub-delegation of the powers made by the Managing Director shall be reported at the meeting of the Board immediately following the date of such sub-delegation.
- (6) The Governor may appoint anyone or more of the Directors, of the Board as whole time Director or Directors by whatever name called viz Vice-Chairman, Executive Director, General Manager, Joint Managing Director, Deputy Managing Director etc., of the Corporation and to hold office or place of profit subject to provisions of section 314 and any other section applicable (if any) of the Act, for such period and upon such terms and condition as he may think fit. The whole time Director or Directors so appointed may be authorised by the Board to exercise such of powers, authority and discretion in relation to the affairs of the company as are specifically delegated to him/them by the Board, and may be authorised by the Board to sub-delegate such of his powers as he may think fit to other officers of the company subordinate to him."

XIV. DISQUALIFICATION OF DIRECTORS

*Vacancy in the office
of Directors.*

89. The office of a Director shall become vacant if:

- i) he is found to be of unsound mind by a competent court :

- ii) he applies to be adjudicated an insolvent;
- iii) he is adjudged an insolvent;
- iv) he is convicted by a court for any offence involving moral turpitude and sentenced in respect there of to imprisonment of not less than six months;
- v) he fails to pay any call in respect of shares of the company held by him (whether alone or jointly with others) within six months form the last dated fixed for the payment of the calls;
- vi) he absent himself form three consecutive meetings of the Board of Directors or from all meetings of the Board for a continuous period of three months, whichever is longer, without obtaining leave of absence from the Board;
- vii) he fails to disclose the nature of his concern or interest in any contract or arrangement or proposed contract or arrangement entered into or to be entered into by or on be half of the Company as required under section 299 of the Act;
- viii) he becomes disqualified by an order of Court under section 203 of the Act; he is removed in pursuance of section 282 of the Act;

NOTE:- The disqualification's referred to in sub clause (iii), (iv) and(viii) above shall take effect:

- (a) for thirty days from the date of adjudication, sentence or order; or
- (b) where any appeal or petition is preferred within thirty dyas aforesaid against the adjudication, sentence or conviction resulting in the sentence or order until the expiry of seven days form the date on which such appeal or petitions is disposed off;
- (c) where within to seven days aforesaid, any further appeal or petition is preferred in respect of the adjudication sentence, conviction or order and the appeal or petition if, allowed, would result in the removal of the disqualification, unit such further appeal or petition is disposed off.

Alternate Director 89A. The Board of Directors of the Company may be resolution passed at their meeting appoint an alternate Director approved by the Governor to act for a Director (hereinafter in this Article called of the original Director), during his absence for a period of not less than three months. Such Director shall not hold office as such for a period longer than that permissible to the original Director in whose place he has been appointed. Such appointment shall have effect; and such director while he hold office as an alternate Director shall be entitled to notice of the meeting of the Directors and to attend and to vote there at accordingly but he shall not require any qualification and he shall *ipso facto vacate* office when the Original Director

returns to this state. Any provision for the automatic reappointment of the retiring Director in default of another appointment shall apply to the original and not to the Alternate Director.

XV. MEETINGS AND PROCEEDINGS OF BOARD OF DIRECTORS

- Meeting of Directors* 90. The Directors may meet together for the transaction of business once at least in every three calendar months and at least four meetings of the board shall be held in a year. They may adjourn and otherwise regulate their meetings and proceedings as they think fit and may determine the quorum necessary for the transaction of business. Until otherwise determined, but in any case not less than in one third of the total strength of Directors (any fraction contained in that one third being rounded off as one) or minimum two disinterested Directors, whichever is higher, shall be a quorum.
- Place of Meeting* 91. The meeting of the Board may be held at the registered office or any where else within the State of Chhattisgarh.
- Director may summon meeting, how questions to be decided.* 92. A Director may at any time convene a meeting of the Directors and questions arising at any meeting shall be decided by a majority of votes. The Chairman shall have a second or casting vote. At least seven days notice convening the meeting and specifying the time and place will be given.
- Power in case of Quorum* 93. A meeting of the Directors at which a quorum is present shall be competent to exercise all or any of the authority, powers and discretion by or under the Article of the company for the time being vested in or exercisable by the Directors generally.
- Chairman of Director's meeting* 94. The Governor may nominate a Director as Chairman of the Director's meeting and determine the period for which he is to hold such office. If no such Chairman is nominated, or if at any meeting the Chairman is not present within five minutes after time fixed for holding the same, the Directors present may elect one of their Members to be the Chairman of the meeting.
- Decisions of Board requiring approval of Governor.* 95. (1) Subject to the provisions of the Act the Chairman shall reserve for the approval of the Governor any proposals or decisions of the Board in respect of the following matters, namely;
- (a) Increasing or reducing paid up Capital of the Company;
 - (b) Winding up of the company;
 - (c) Issue of debentures or bonds;
- Delegation of powers to* 96. The Board of Directors may, subject to the restrictions laid down in section 292 of the act, delegate any of their powers to committees

- Committees* consisting of such member or members as they think fit and may from time to time, revoke such delegations. Any committee so formed shall in the exercise of the power so delegated, conform to any regulations that may from time to time, be imposed, upon it by the Board of Directors.
- Chairman of meeting of Committees* 97. A committee may elect a Chairman for its meetings. If no such Chairman is elected, or if at any meeting the Chairman is not present within five minutes after the time appointed for holding the same, the members present may elect one of their members to be the Chairman of the meeting.
- When Action of Directors or Committees valid notwithstanding defective appointment* 98. All acts done or decisions made by any meeting of the Directors or of Committee of Directors or by any person acting as a Director shall, notwithstanding that is be afterward discovered that there was defect in the appointment of such Directors or persons acting as aforesaid, or that they or any of them were disqualified be as valid as if every such person had been duly appointed and was qualified to be a Director. Provided that nothing in this Article shall be deemed to validate acts done by a Director after his appointment has been shown to the Company to be invalid or to have been terminated.
99. (1) A resolution by circular in writing signed by all the Directors then in India or by a majority of them as are entitled to vote on the resolution shall subject to sub-clause (2) and the Act, be as valid and effectual as if it had been passed at a meeting of the Directors duly called and constituted.
- (2) A resolution shall be deemed to have been duly passed by the Board or by a committee there of by circulation if the resolution has been circulated in draft together with necessary papers, if any, to all the Directors or to all the members of the committee then in India (not being less in number than the quorum fixed for a meeting of the Board or Committees as the case may be) and to all other Directors or members of the Committee at their usual addresses in India and has been approved by such of the Directors or member of the Committee as are in India or by a majority of such of them as are entitled to vote on the resolution.
- Directors to cause Minutes to be made in the books.* 100. The Directors shall cause minutes to be made in the Books provided for the purpose and secure the safe custody of the same:
- i) of all appointment of officers made by the Directors;
 - ii) of the names of the Directors present at each meeting of the Directors and of any committee of the Directors;
 - iii) of all resolutions and proceedings at all meetings of the Company and of the Directors and of the Committee 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 the purpose.

XVI. DIVIDENDS AND RESERVES

- Reserve fund* 101. The Directors may, before recommending any dividend, set aside

out of the profits of the Company such sums as they think proper as a reserve fund to meet contingencies or for equalising dividend, or for special dividend, or for repairing improving and maintaining any of the property of the company and for the amortisation of capital and for such other purposes as the Directors shall in their absolute discretion think conducive to the interests of the Company, and may invest the several sums so set aside upon such investments (other than shares of the Company) as they may think fit from time to time, deal with and every such investments and dispose off all or any part thereof in business of the Company and without being bound to keep the same separate from other assets.

- Dividend* 102. The profits of the company available for payment of dividend subject to any special rights relating thereto created or authorised to be created by these presents subject to the provisions of these presents as to the reserve fund and amortisation of capital shall be divisible among the members in proportion to the amount of capital held by them respectively, provided always that any capital paid up on a share during the period in respect of which a dividend is declared shall only entitle the holder of such share to an appropriated amount of such dividends as from the date of payment.
- Capital paid up in advance* 103. Where capital is paid up on any shares in advance of calls upon the footing that the same shall carry, interest, such capital shall not, whilst carrying interest, confer a right to participate in profits.
- Declaration of dividends* 104. The Company may in an annual general meeting declare a dividends to be paid to the members according to their rights and interests in the profits and may fix the time for payment, but no dividend shall exceed the amount recommended by the Directors.
- Dividends out of profits only and not to carry interest* 105. No dividend shall be payable otherwise than out of the profits of the year or other period or any other undistributed profits of the Company and no dividend shall carry interest as against the Company.
- Declaration of profits by Board to be deemed conclusive* 106. The Declaration of Directors as to the amount of net profits of the Company shall be conclusive subject to the provisions of Act.
- Interim dividends* 107. The Directors may from time to time, pay to the members such interim dividends as may be decided by them having regard to the position of the Company.
- Debts may be deducted* 108. The Directors may retain any dividends on which the Company has a lien, and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.
- Dividend and Call together* 109. Any general meeting declaring a dividend may make a call on the members of such amount as the meeting fixed, but the call on each member shall not exceed the dividends payable to him and the call be made payable at the same time as the dividend, and the dividend may if so arranged between the Company and the members, be set off against the call. The making of a call under this clause shall be deemed to be an ordinary business of an annual general meeting which declares a dividend.

<i>Dividend or bonus payable wholly or partly in cash.</i>	110. Any general meeting declaring a dividend may resolve or direct that such dividend wholly or in part be paid in cash in accordance with section 205 of the Act.
<i>Effect of transfer</i>	111. A transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.
<i>Retention in certain cases</i>	112. The Directors may retain the dividends payable upon the shares in respect of which any person has become entitled to be a member or which person is entitled to transfer, until such person shall become a member in respect of such shares or shall duly transfer the same.
<i>Dividend to joint holders</i>	113. Any one of the several persons, who are registered as the joint holders of any share any give effectual receipts for all dividends and payment on account of dividends in respect of such shares.
<i>Payment by post</i>	114. Unless otherwise directed any dividend paid by cheque or warrant sent through post to the registered address of that member or person entitled to payment or in the case of the joint holders, to the registered address of that person whose name stands first in the register in respect of the joint holding or to such person and to such address is the shareholder or joint holder may in writing direct and every cheque or warrant so sent 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 and pay slip or receipt lost in transmission or for dividend lost to the member or person entitled there to by forged endorsement of any cheque or warrant or forged signature on any pay slip or receipt or the fraudulent recovery of the dividend by any other means.
<i>Notice of dividend.</i>	115. Notice of declaration of any dividend whether interim or otherwise shall be given to the registered holder of shares in the manner herein provided.
<i>Dividend to be paid within 30 days</i>	116. The company shall pay the dividend or send the warrant in respect there of to the share-holder entitled to the payment of dividend, within thirty days from the date of the declaration unless: <ul style="list-style-type: none"> i) The dividend could not be paid by reason of the operation of any law; ii) A share holder has given directions regarding the payment of the dividend and those directions can not be complied with; iii) There is a dispute regarding the right to receive the dividend; iv) The dividend has been lawfully adjusted by the Company against any sum due to it from share holder or; v) For any other reason the failure to pay the dividend or to post the warrant within the period aforesaid was not due to any default on the part of the Company.
<i>Unclaimed Dividends</i>	117. All dividends unclaimed for thirty days after having been declared have to be deposited in a special account called "Unpaid dividends account of the said company name" in any scheduled bank within seven days from the date of expiry of thirty days and which if remain unpaid for seven years will be transferred to Investor Education and Protection Fund established by Central Government.

XVII. ACCOUNTS

- Account to be kept.* 118. The company shall cause to be kept proper books of account with respect to;
- i) All sums of money received and expended by the company and the matters in respect of which the receipt and expenditure takes place;
 - ii) All sales and purchases of goods by the Company; and
 - iii) The assets and liabilities of the Company.
- Inspection of books of accounts* 119. Subject to the provisions of section 209 (1) of the Act, the books of accounts shall be kept at the registered office of the Company or at such other place as the Directors shall think fit and shall be open to inspection by the Directors during business hours.
- Inspection by members* 120. The Directors shall, from time to time determine whether and to what 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 a general meeting.
- Annual account and Balance sheet to be furnished to General Meeting* 121. Subject to the provisions of section 166 read with section 210, 212 and 217 of the Act, the Directors, shall at same date not later than eighteen months after the incorporation of the company and subsequently once at least every year lay before the company in an annual general meeting a balance sheet and profit and loss account, since the proceeding account made up to a date not earlier than the date of the meeting by more than six months.
- Annual Report of Directors.* 122. There shall be attached to every balance sheet a report of the Directors with respect to the state of the Company's affairs, the amounts, 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 Fund, General Reserve or Reserve Account to be shown specifically in a subsequent balance sheet and the material change and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the balance sheet relates and the date of the report. The report shall be signed by the Chairman of the Board on behalf of the Directors if authorised in this 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.
- Contents of Balance sheet and profit and loss account.* 123. From of balance sheet and profit and loss account shall be in accordance with the provision of section 211 of the Act, read with schedule VI to the Act. The profit and loss account shall, in addition to the matters referred to in section 211 if the Act, show (arranged under the most convenient heads) the account of gross income,

distinguishing the several 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 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 with the addition of the reasons why only a portion of such expenditure is charged against the income of the year.

- Balance sheet and Profit and Loss Account be sent to members* 124. The company shall send a copy of such balance sheet and profit and loss account together with a copy of the Auditor's report to the registered address of every member of the Company in the manner in which notices are to be given here under at least twenty one days before the annual general meeting at which it is to be laid before the members of the Company and shall deposit a copy at the registered office of the Company for inspection of the members of the Company during a period of a least twenty one days before that meeting.
- Directors to comply with section 209 to 222 of the Act.* 125. The Directors shall in all respects comply with the provisions of sections 209 to 222 of the Act or any statutory modification thereof for the time being in force as may be applicable to the Company.

XVIII. AUDIT

- Accounts to be audited annually.* 126. Once at least in every year the accounts of the Company shall be examined and the correctness of the profit and loss account and the balance sheet ascertained by one or more Auditors.
- Appointment of auditors.* 127. The auditors of the Company shall be appointed or re-appointed by the Central Government and their rights, duties and remuneration shall be regulated by section 224 to 233 of the Act read with section 619 of the Act.
- Auditor's right to attend meetings.* 128. The auditors of the company shall be entitled to receive notice and to attend any general meetings of the Company at which any accounts which have been examined or reported on by them are to be laid before the Company and may make statement or explanation they desire with respect to the accounts.
- Powers of the Comptroller and Auditor General India.* 129. The Comptroller and Auditor General of India shall have powers:
- 1) To direct the manner in which the company's accounts shall be audited by the auditors appointed in pursuance of Article 127 hereof and to give such auditors, instruction in regard to any matter relating to the performance of their functions as such; and,
 - 2) To conduct a supplementary or test audit of the Company's accounts by such person or persons as he may authorise in this behalf; and for the purpose of such audit, to have access at all reasonable times, to all accounts, account books vouchers, documents and other papers of the Company and to require information or additional information to be furnished to any person or persons so authorised, on and in such form as the Comptroller
 - 3) and Auditor General of India may by general or special order

direct.

*Accounts to be
deemed finally
settled*

130. Every account of the Company when audited and approved by a general meeting shall be conclusive except as regards any error discovered therein within three months next after the approval thereof. Whenever any such error is discovered within the period the account shall forthwith be corrected and henceforth shall be conclusive.

XIX. NOTICES

*How notice to be
served on members.*

131. A notice or document 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 India) to the address, if any within India supplied by him to the Company for the giving of notice to him.

*Notification of
address by a holder
of shares having no
registered place of
address*

132. A registered holder of shares, who has no registered place of address may from time to time, notify in writing to the Company an address, which shall be deemed his registered place of address, within the meaning of Article.

*When notices may
be given by
advertisement*

133. If a member has no registered address and has not supplied to the company any address for the giving of notices to him, a notice addressed to him and advertised in newspapers circulating in the neighborhood of the registered office of the company, shall be deemed to be duly given to him on the date on which the advertisement appears.

*Notice to joint
holders*

134. A notice may be given by the Company to the joint holders of a share by giving the notice to the joint holder named first in the register in respect of the share.

*How notice to be
given to
representative of
deceased or
bankrupt members*

135. 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 post in a prepaid letter addressed to them by name or by the title or representative of the deceased or assignee of the insolvent or by any like description, at the address (in any) supplied for the purpose by the persons claiming to be so entitled or until such an address has been so supplied, by giving notice in any manner in which the same might have been given if the death or insolvency had not occurred.

*To whom notice of
general meeting to
be given*

136. Notice of every general meeting shall be given in the same manner herein before authorised to:

- 1) To every member of the Company except those members who having no registered address and have not supplied to the Company an address for the giving of notice to them.
- 2) To every person entitled to a share in consequence of the death of a member who but for his death or insolvency, would be entitled to receive notice of the meeting provided the company has due notice of and

3) The auditors for the time being of the company.

Transferees, etc. by prior notice. 137. 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 previous to his name address and title to the share being notified and registered by Company had been duly given to the persons from whom he derives his title to such share.

How notice to be signed 138. The signature to any notice to be given by the company may be written or printed.

How time to be counted 139. Where a given number of days, notice or notices extending over any other period is required to be given the days of service shall, unless it is other wise provided, be counted in such number of days or other period.

XX. SEAL

Seal 140. (1) The company shall provide for the safe custody of the seal.
(2) The seal of the company shall not be affixed to any instrument except by the authority of the resolution of the Board of the Directors and except in the presence of atleast two Directors or such other persons the Board may appoint for the purpose, and the said Directors or the persons aforesaid for the purpose, and the said Directors or the persons aforesaid shall sign every instrument to which the seal is so affixed in their presence. The share certificate shall, however, be signed and sealed in accordance with the provisions of Companies (issue of the share certificate) Rules, 1960 and their statutory modifications for the time being in force.

XXI. SECRECY CLAUSE

Secrecy clause 141. Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee Officer, Servant, Agent, Accountant or other person employed in the business of the Company shall, if so required by the Directors before entering upon his duties, sign a declaration pledging himself to observe strict secrecy respecting all transaction and affairs of the company with the customers and the State of the accounts with individuals and in matter there to 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 to do so by the Director or by law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions, in these presents contained; and

Further that no member or other person (not being Director) shall be

entitled to require discovery or any information respecting and details of the Company's trading or any matter which may be in the nature of a trade secret, mystery of trade or secret process which may relate to the conduct of the business of the company and which in the opinion of the Directors it will be in expedient in the interest of the member of the Company to communicate to the public.

XXII. INDEMNITY

Indemnity

142. Subject to the provisions of section 201 of the Act, every Director, Manager, Auditors, Secretary and other officer or servant of the Company shall be indemnified by the Company against, and it shall be the duty of the Director to pay out of the funds of the Company, all costs losses and expenses which any such officer or servant may incur or become liable to by reason of any contract entered into, or act or thing done by him as such officer or servant or in any way in the discharge of his duties (except such if any as he shall incur or sustain through or by his own wrongful act, neglect or default) 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.

*Individual
responsibility of
Director*

143. No Director or other officer of the Company shall be liable for the acts, receipts neglects or defaults of any other Director or officer of the company for joining in any receipt or other act for conformity or for any loss or expenses happening to the company through the insufficiency or deficiency of title or any security in or upon which any of the moneys of the company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortuous act or any person with whom any moneys, securities of effects shall be deposited or for any other loss, damage or misfortune whatever, which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own negligence, default, misfeasance, breach of duty or breach of trust.

XXIII. WINDING UP

*Distribution of
assets on winding
up.*

144. If the company shall be wound up and the assets available for distribution among the members as such shall be insufficient to repay 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 winding up the assets available for distribution among the members shall be more than sufficient to repay the whole of the capital up at the commencement of the

winding up, the excess shall be distributed among the members in proportion to the capital paid up or which ought to have been paid up on the shares held by them respectively. But this Article is without prejudice to the right of the holders of shares issued upon special terms and conditions.

145. Notwithstanding any thing contained in any of these articles or the rules made there under, the Governor may, from time to time, issue such directions as he may consider necessary in regard to the conduct of the business of the Company or of the Board of Directors there of and in like manner may vary and annul any such directions. The Directors shall give immediate effect to the directions so issued.

We the several persons whose names and address subscribed below are desirous of being formed into a company in pursuance of these Memorandum of Association and we respectfully agree to take the number of share in the capital of the company set opposite out respective names.

Sl. No.	Name, Fathers' Name, address Occupation and description of the Subscriber	No. of equity Share taken by subscriber	Signature	Name of withness address, and discription
1.	Dr. Kalyan Kumar Chekravarty (I.A.S.) S/o. Late Shri Hiralal Chekravarty Principal Secretary Forests Govt. of Chhattisgarh, Raipur Service	10 (Ten) equity share of Rs. 100/- (Rs. One hundred) each	Sd/-	Sd/- K. Bhavanarayana S/o. Ranga Rao B- 7/II, Devendra Nagar, Raipur Service
2.	Dr. Ramesh Chandra Sharma (I.F.S.) S/o. Shri S.L. Sharma P.C.C.F., Chhattisgarh Service	10 (Ten) equity share of Rs. 100/- (Rs. One hundred) each	Sd/-	Sd/- R. K. Agrawal S/o. Late Shri B. N. Agrawal Phool Chowk Raipur (C.G.) Chartered Accountant
3.	Dr. Suresh Chandra Jena (I.F.S.) S/o. Shri Naba Kishore Jean Addl. PCCF Raipur (C.G.) Service	10 (Ten) equity share of Rs. 100/- (Rs. One hundred) each	Sd/-	Sd/- S/o. Shri B. R. Jain Asstt. Manager (A) C-50/Sect. II , Devendra Nagar, Raipur (C.G.) Service

Date :-

Chhattisgarh Rajya Van Vikas Nigam Ltd.
Articles of Association

Time for objection to vote. 82. No. objection shall be made to the validity or any vote except at the meeting or adjourned meeting at which such vote shall be tendered and every vote whether given personally or by proxy, not disallowed at such meeting shall be deemed valid for all purposes of such meeting whatsoever any such objection made in the time shall be referred to the Chairman of the meeting.

XII. BOARD OF DIRECTORS

Number of Directors 83. (i) Subject to the provisions of section 252 of the Act, the Government shall, from time to time, determine in writing the number of Director of the Company which however shall not be less than two or more than eleven.

(ii) The following shall be the first Directors :-

1. Dr. KALYAN KUMAR CHAKRAVARTY
2. Dr. RAMESH CHANDRA SHARMA
3. Dr. SURESH CHANDRA JENA

Qualification Shares (iii) The Directors shall not be required to hold any qualification shares.

Appointment of Directors 84. (i) All the Directors, shall be appointed by the Governor and hold office at the pleasure of the Governor. All the Directors excepting the Chairman [whole time Director or Directors by whatever name called] and the Managing Director shall retire, on the day, preceding the day of the next annual general meeting. A retiring Director, Chairman will be eligible for re- appointment.

(ia) Notwithstanding anything contained in sub-clause (i) above, but subject to the provisions of clause (ii) below, the Chairman/Vice Chairman/non-official Director, shall relinquish office on completion of a term of two years from the date of appointment. The Governor may, however, in his absolute discretion, at any time increase/reduce the term/period for which any person appointed as Chairman/ Vice Chairman shall hold office.

- (ii) The Governor shall have the power to remove, any directors including the Chairman [whole time Director or Directors] and the Managing Director, if any from office at any time in his absolute discretion keeping in view provisions of section 252 of at the Act.
- (iii) The Governor shall have the right to fill any vacancy in the office of the Directors [including Chairman, Managing Director and whole time Directors] caused by removal, resignation, death or otherwise.
- (iii) Subject to the provisions of the section 297, 299, 301 of the Act, a Director shall cease to hold office, if he directly or indirectly deals in any of the commodities in which the company is dealing.

*Remuneration of
Directors*

85. The Directors shall be paid such sum as may be fixed by the Governor as and by way of sitting fees for each meeting of the Board of Directors or of any Committee thereof. In addition thereto a Director who attends a meeting at the places other than his usual place of residence for the purpose of attending a meeting such sum as the Governor may consider fair compensation for traveling, hotel and other incidental expenses, properly incurred by him may be paid in addition to his fee for attending such meeting as specified above. 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.

Explanation :- For the purpose of sub clause (i) (a) above, non official director shall mean a director who is not a serving members of an All India Service/State service.

CHHATTISGARH RAJYA VAN VIKAS NIGAM LIMITED

**THE COMPANIES ACT, 1956
GOVERNMENT COMPANY LIMITED BY SHARES**

MEMORANDUM OF ASSOCIATION

Clause 61 :

From time to time establish or to subscribe or contribute guarantee money or to give donation to any charitable, benevolent, religious, scientific or national trusts, funds, associations and institutions and to any other useful object purpose funds, institutions of a public character which in the opinion of the Board of Directors is likely to promote the interests of the business of the Company or to further its objects or to increase its repute or popularity among its employees, its customers, or the public or otherwise and/or so any charitable or useful funds whatsoever or for any exhibition.