

COMPANIES ACT 1956
(To the extent not repealed)

&

COMPANIES ACT 2013
(To the extent notified)

PART IXA

PRODUCER COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

SHREE KOND RAJ BABA FARMERS PRODUCER COMPANY LIMITED

PRELIMINARY

1. The Regulations in Table F in the first schedule to the Companies Act, 2013 shall apply to this Company except in so far as they are inconsistent with any of the provisions contained in these Regulations and except in so far as they are hereinafter expressly or impliedly excluded or modified. Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the company.

INTERPRETATION

2. In this part, unless the cancel otherwise requires
 - (a) ""Act" means The Companies Act, 2013 and applicable provision of the Companies act 1956 and its statutory modifications as may be in force from time to time.
 - (b) "Active member" means a member who fulfills the quantum and period of patronage of the Company as may be determined by these Articles.
 - (c) "Board" means the Board of Directors constituted under the provision of these Articles.
 - (d) "Chairman" means a member of the Board who has been elected as chairman by the directors of the board under the provisions of these Articles.
 - (e) "Chief Executive" means an individual appointed as such, by whatever name called, under sub-section (1) of section 581W of the Act.

- (f) "The Company' or 'This Company' means " SHREE KOND RAJ BABA FARMERS PRODUCER COMPANY LIMITED"
- (g) "Limited return" means the maximum dividend as may be specified by these Articles.
- (h) "Member" means a parson or a producer institution (Whether incorporated or not) or a cooperative society admitted as a member of a producer company and who retains the qualifications necessary for continuance as such;
- (i) "Mutual assistance principles" means the principles set out in Article No.4 of these Articles;
- (j) "Officer" includes any director or Chief Executive of Secretary or any person in accordance with whose directions or instruction part or whole of the business or the producer company is carried on;
- (k) "Patronage" means the use of services offered by the producer company to its members by participation in its business activities;
- (l) "Patronage bonus" means payments made by a producer company out of its surplus income to the members in proportion to their respective patronage;
- (m) "Primary produce" means produce of persons engaged in the industry to which the company belongs and any product resulting from any of the above activities, including by-products of such products and any product resulting from an ancillary activity that would assist or promote any of the aforesaid activities or anything ancillary thereto and any activity, which is intended to increase the production of anything, referred above or improves the quality thereof.
- (n) "Producer" means any person engaged in any activity connected with or relatable to any primary produces;
- (o) "Producer Company" means a body corporate having objects or activities specified in section 581B and registered as Producer Company under this Act.
- (p) "Producer institution" means a producer company or any other institution having only producer or products or Producer Company or producer companies as its member whether incorporated or not having any of the objects referred to in section 581B and which agrees to make use of the services of the Producer Company or producer companies as provided in its articles.

- (q) "Special right" means any right relating to supply or additional produce by the active Member or any other right relating to his produce, which may be conferred upon him by the Board.
- (r) "Withheld price" means part of the price due and payable for goods supplied by any member to the Producer Company; and as withheld by the Producer Company for payment on a subsequent date.

PRODUCER COMPANY

- 3.
- i) The Company is a producer company which means a corporate body having objects or activities specified in Section 581B and Registered as Producer Company under this Act.
- ii) There shall be any ten or more individuals, each of them being a producer or any two or more producer institutions, or a combination of ten or more individuals and producer Institutions, desirous of farming a producer company having its objects specified in Section 581B and otherwise complying with the requirements of this part and the provisions of this Act, in respect of registration, may form an incorporated company as a producer company under this Act.
- iii) Upon registration under section 581B, the producer company shall become a corporate body as if it is a private limited company to which the provisions contained in this part applied, without however any limit to the number of members thereof, and the producer company shall not, under any circumstances, whatsoever become or be deemed to become a public limited company under this act.
- iv) The company is a private limited company within the meaning section 2(68) of the Companies Act, 2013, accordingly
- i) Restricts the right to transfer the shares;
- ii) Limits the number of its members into five hundred
- Provided that where two or more persons hold one or more share in the Company jointly, they shall, for the purpose of this definition be treated as a single member.
- Provided further that
- (a). Persons who are in the employment of the Company and
- (b). Persons who having been formerly in the employment of the Company, were members of the Company while in that employment and have continued to be members after the employment ceased.

Shall not be included in the number of members and;

iii) Prohibits any invitation to the public to subscribe for any securities of the Company.

v) The authorized share capital of the Company shall be as in Clause V of the Memorandum of Association of the company as amended from time to time

a) In a case where the membership consist solely of individual members, the voting rights shall be based on a single vote for every member irrespective of his shareholding or patronage of the producer company

b) In a case where the membership consist of producer institutions only, the voting rights of such producer institutions shall be determined on the basis of participation in the business of the producer company in the previous year, as may be specified by articles,

Provided that during the first year of registration of a producer company, the voting rights shall be determined on the basis of the shareholdings by such producer institutions.

c) In a case where the membership consist of individuals and producer institutions the voting rights shall be computed on the basis of a single vote for every member.

MUTUAL ASSISTANCE PRINCIPLES

4. The company shall follow the following mutual assistance principles:

(a) The membership of the Company shall be voluntary and available to all eligible persons, who can participate or avail of the facilities or services of the Company, and are willing to accept the duties of membership;

(b) Each member shall have only a single vote irrespective of the shareholding;

(c) The Company shall be administered by a Board consisting of the persons elected and appointed as directions in the manner consistent with the provision of the Articles and the Board shall be accountable to the Members;

(d) There shall be limited return on share capital;

(e) The surplus arising out of the operations of the Company shall be distributed in an equitable manner by;

- Providing for the development of the business of the Company;
- Providing for common facilities; and

- Distributing amongst the Members, as may be admissible in proportion to their respective participation in the business;
- (f) Provisions for the education of members, Employees and other shall be made on the principles of mutually and techniques of mutual assistance;
- (g) The Company shall actively co-operate with other Producer Companies (and other organizations following similar principles) at local, national or international level so as to best serve the interest of their Members and the communities it purports to serve.

GENERAL AUTHORITY

5. Where in the said Act, it has been provided that a Company shall have any right, privilege or authority or that a Company could carry out any transaction only if the Company is so authorized by its Articles in every such case, this regulation hereby authorizes and empowers the Company to have such right, privilege or authority and to specific regulation in the behalf herein provided.

SHARE CAPITAL

6. The authorized share capital, for the time being, of the Company is as stated in clause 5th of the Memorandum of Association of the Company, which shall consist of equity shares only. The minimum paid up share capital shall be Rs. 1, 00,000 (One Lac only)
7. The funds may be raised by any or all of the following means:
- (a) By Issue of Shares;
 - (b) Deposits from members, directors and their relatives;
 - (c) Loans;
 - (d) Grants, Aids and Subsidies;
 - (e) Donations etc.
8. The Funds so raised shall be used only for the furtherance of the objects of the Company, as may be determined by the Board of Directors on such conditions as the Board may deem expedient.
9. Subject to the provisions of the Act and these Articles, the shares in the capital of the Company for the time being (including any shares forming part of any of increased capital of the Company) shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons (whether members of the

company or not), in such proportion and at premium or at par or (subject to compliance with the provision of Section 79 of the Act) at a discount and at such times as they may from time to time think and proper and with full power to give any person the option to call for or be allowed shares of any class of the Company either at par or at a premium or subject as aforesaid at discount with option being exercised at such time and for such consideration as the Directors think fit. The Directors may allot and issue shares in the capital of the Company in payment or part payment for any property sold and transferred or for services rendered to the Company or the conduct of its business or for any other consideration and any shares so allotted may be issued as fully paid up another party paid up shares.

10. The Shares shall be under the control of the Board of Director who may allot or otherwise dispose of the same to such institutions on such terms as the Board of Directors think fit and to give any persons any shares whether at par or at premium and for such consideration as the Board of Directors think fit.
11. The Company shall have power to issue fully or partly paid-up shares in such manner provided in Act.
12. The shares held by a member in the Company, shall as far as may be, be in proportion to the patronage of the Company.
13. The Company shall have power to alter the conditions of the Memorandum and Articles of Association in such manner as provided in the Act.
14. The Company may purchase its own shares or other specified securities (hereinafter referred to as buy back) out of its free reserves at such price and in such manner and subject to such conditions as may be decided by the Board of Directors from time to time in accordance with the provisions of the Companies Act and rules made thereunder.

LIEN

15. The Company shall have a first and paramount Lien upon all the Shares registered in the name of each member, whether solely or jointly with others, and upon the proceeds of sale thereof for his debts, liabilities and engagements, whether the period for the payment, fulfillment or discharge thereof shall have actually arrived or not, and such Lien shall extend to all dividends from time to time declared in respect of such Shares. The Board of Directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

ISSUE OF BONUS SHARES

16. The Company may, upon recommendation of the board and passing of resolution in the general meeting, issue bonus shares by capitalization of amounts from general reserves referred to in section 581Z1 of the Act in proportion to the shares held by the members on the date of the issue of such shares.

ALTERATION OF CAPITAL

17. The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.
18. The Company may, by ordinary resolution –
 - (a) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares.
 - (b) Sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the Memorandum,
 - (c) The Company may, by special resolution, reduce its share capital in any manner and with and subject to any incident authorized and consent required by law.

MEMBERSHIP

- 19.19.
 - (a) The Producer Company shall consist of person and producer institutions, managed and owned by person, whether incorporated or not, and to person engaged in providing any organizational technical or financial assistance to the producer company.
 - (b) An individual or a producer institution that fulfills eligibility conditions under the provisions of these Articles may apply for membership in the prescribed form to the Board of Directors of the Company, undertaking to carry out the responsibilities of membership in writing.
 - (c) Where admission is refused by the board, the decision with the reasons for refusal shall be communicated to the respective person by registered post within fifteen days of the decision.
 - (d) An individual or producer institution desirous of becoming a member shall subscribe at least one share to the producer company.

- (e) No individual or producer institution, who has any business interest, which is in conflict with the objects and business of the company, shall become a member.
- (f) A Member, who acquires any business interest, which is in conflict with the business of the Producer Company, shall cease to be a Member of the Company and be removed as a Member in accordance with articles.

MEMBERSHIP BENEFITS

20. The Board shall from time to time determine the price payable for the produce or the products pooled in and every member shall initially receive only such value for the produce or products pooled and supplied as the Board may determine and the withheld price may be declared and disbursed at a later date in cash or in kind or by allotment of equity shares, in proportion to the produce supplied to the producer company to such extent and in such manner and subject to such conditions as may be decided by the Board.
21. Every member shall on the share capital contributed receive only a limited return on the share capital contributed as may be decided by the Board. Provided that every such member may be allotted bonus shares in accordance with the provisions contained in section 581 Z] and this Articles.
22. The surplus, if any arising after setting aside provision for payment of limited return and after making provision for reserves as per the provisions of these Articles may be disbursed as patronage bonus amongst the members in proportion to their participation in the business of the producer company, either in cash or by way of allotment of equity shares or both as may be decided by the General meeting.
23. **Special user rights :-**
- The producers, who are active members, may have special rights as may be determined by the Board and the Company may issue appropriate instruments to them in respect of such special rights. The instruments of the company issued as above shall, after obtaining approval of the Board in that behalf is transferable to any other active member of the company.

VOTING RIGHTS

24. Save as otherwise provided in sub-sections (1) and (3) of section 581 D of the Act. And subject to Articles, every member shall have one vote and in the case of equality of votes. The chairman of the person presiding shall have a casting vote except in the case of election of the chairman.

25. The company may restrict the voting rights to active members, in any special meeting as may be determined by the Board from time to time.

TRANSFER & TRANSMISSION OF SHARES AND ATTENDANT RIGHT

26. Save as otherwise provided herein, the shares of a member of the company shall not be transferable.
27. A member of the company may after obtaining the previous approval of the board transfer the whole or part of his share along with any special rights, to an active member at par value.
28. Every member shall, within three months of his becoming a member in the producer company nominate a person to whom his shares in the producer company shall vest in the event of his death.
29. The nominee shall, on the death of the member, become entitled to all the rights in the share of the producer company and the Board shall transfer the shares of the deceased member to his nominee.
20. Provided that in as case where such nominee is not a producer, the Board shall direct the surrender of shares together with special rights if any to the company at par value or such other value as may be determined by the Board.

CESSATION OF MEMBERSHIP

30. A member shall cease to be a member -
- On transfer of shares
 - On liquidation
 - On expulsion
 - On failure to full fill the conditions of membership.
31. Where the Board of the company is satisfied that
- any member has ceased to be a primary producer, or
 - any member has failed to retain his qualifications to be a member the Board shall direct the surrender of shares together with special user right if any to the company at par value or such other value as may be determined by the board provided that the board shall not direct such surrender of shares unless the member has been served with a written notice and given an opportunity of being heard.

GENERAL MEETINGS

32.32.

- (a) The company shall in each year, hold, in addition to any other meetings a general meeting as its Annual General Meeting and shall specify the meeting as such in the notices calling it, and not more than fifteen months shall elapse between the date of one annual general meeting and of the next.

The first general meeting shall be held within a period of ninety days from the date of its incorporation.

33. The Annual General Meeting of the Producer Company shall be called by giving not less than fourteen days' notice in writing, which shall specify the date, time, venue and the agenda.

34. The notice calling the annual general meeting shall be accompanied by the following documents namely:-

- (a) The agenda of the Annual General Meeting,
- (b) The amount proposed to be carried to reserve,
- (c) The amount to be paid as limited return on share capital,
- (d) The Audited Balance Sheet and Profit and Loss Account of the company, and its subsidiary if any, together with a report of the board of Directors with respect to -
 - i. The state of affairs of the company
 - ii. The amount proposed to be carried to reserve
 - iii. The amount to be paid as limited return on share capital
 - iv. The material changes and commitments if any affecting the financial position of the company and its subsidiary, which have occurred in between the date of the annual accounts of the company to which the balance sheet relates and the date of the report of the board.
 - v. Any other matter of importance relating to energy conservation, environmental protection expenditure or earnings in foreign exchange.
 - vi. Any other matter which is required to be or may be specified by the Board.
- (e) The text of the draft resolution for appointment of auditors.

- (f) The text of the draft resolution proposing amendment to the Memorandum or Articles to be considered at the general meeting along with the recommendations of the Board.

35. All General Meetings other than Annual General Meetings shall be called Extra-Ordinary General Meetings.

36. An Extra-Ordinary General Meeting may be called at any time by a majority of the board of directors.

37. The Board of Directors shall on the requisition made in writing, duly signed and setting out the matters for the consideration made by one-third of the members entitled to vote in any General Meeting proceed to call an Extra- Ordinary General Meeting.

38. Every General Meeting shall be called for a time during business hours, on a day that is not a public holiday and shall be held at the registered office of the producer company or at some other place within the city, town or village in the registered office of the company is situated.

39. Provisions of sections 581ZA of the companies' act 1956 shall apply to the general meeting of the company, except to the extent these are modified by the provisions in these articles.

QUORUM

40. No business shall be transacted at any General Meeting unless quorum of members is present. The quorum for the general meeting shall be one fourth of the total number of members, for the time being of the company, present, in person.

41. In a case where the membership consists of producer institutions, such institutions shall be represented in the General Meeting through the Chairman or Chief Executive thereof. The producer institution shall not be represented if such institution makes a default or failure referred in clauses (d) to (f) of subsection (1) of section 581Q

42. A member shall be entitled to appoint a proxy to attend and vote instead of himself. Proxy appointed shall be member of the company.

43. In case of General Meeting called upon the requisition of members if within half an hour from the time appointed for holding a General Meeting of the company a quorum is not present the meeting shall stand dissolved.

44. In any other case if within one hour from the time appointed for holding a general meeting of the company quorum is not present, members present shall be the quorum.

PROCEEDINGS AT GENERAL MEETING

45. The chairman of the board shall be the chairman of the company and shall preside over all the General Meetings of the company. If at any meeting he is not present within fifteen minutes after the time appointed for holding the same or is unwilling to preside, the members present and entitled to vote shall choose some director or if no director be present or if all the directors present decline to take the chair, they shall elect one of the members as the chairman of that meeting.
46. The chairman may with the consent of any meeting of which a quorum is present and shall if so directed by the meeting adjourn the meeting from time to time and from place to place no business shall be transacted at any adjourned meeting other than the business left unfinished the meeting from which adjournment took place when meeting is adjourned for thirty days or more, notice of adjourned meeting shall be given as in the case of an original meeting save as aforesaid. It shall not be necessary to give any notice of adjournment or of the business to be transacted at any adjourned meeting.
47. The annual general meeting shall among other things deal with the following-
- Approval of budget and adoption of annual accounts of the producer company;
 - Approval of patronage bonus;
 - Issue of bonus shares;
 - Declaration of limited returns and decision on the distribution of patronage;
 - Election of directors on the board;
 - Appointment of statutory auditors and fixing their remuneration;
 - Alteration of Memorandum and Articles of Association;
 - Specify the conditions and limits of loans that may be given by the board to any director;
 - Approval of any transaction of the nature as is to be reserved in the articles for approval by the members;
 - Consideration of any other business brought forward by or with the consent of the Chairman.

BOARD OF DIRECTORS

48. The company shall be administered by a board consisting of persons elected or appointed as directors in manner consistent with the provisions of part IXA of the act and the board shall be accountable to the members.
49. The number of directors shall not be less than five and shall not be more than fifteen.

APPOINTMENT OF DIRECTORS

50. The number of directors shall not be less than five and shall not be more than fifteen.
51. The following persons shall be the first directors of the Company -

- HARSH KUMAR TATI
- KUNTI NAG
- PEELA KUHRAMI
- SOMAROO KUNJAM
- SUNITA

All the Directors of the Company are not liable to retire by rotation, unless resolved otherwise.

52. Every director, who retires in accordance with the articles, shall be eligible for reappointment as a director.
53. The Directors of the Company need not hold any qualification shares.
54. The board may co-opt one or more expert directors or an additional director not exceeding one-fifth of the total number of directors or appoint any other person as additional director for such period as the board may deem it.
55. Provided that the expert directors shall not have the right to vote in the election of the Chairman but shall be eligible to be elected as Chairman.
56. Provide further that the expert director shall not hold office for a period of more than five years at one time however he shall be eligible for reappointment.
57. The board of directors shall have power at any time and from time to time to fill a casual vacancy occurring on account of the office of any director being vacated. Any person appointed to fill a casual vacancy shall hold office only up to the date up to which the director in whose place he is appointed would have held office.
58. The Board of Directors may at any time appoint one or more of themselves to be a Whole Time Director or Directors designated as "Executive Director" of the company for such period and on such terms and conditions and remuneration's the board of directors may

In the interest of the company deem fit.

59. If any director is required to perform extra services of special exertions or along (either as a director or executive director or as a member of the committee formed by the directors) the board may arrange with such director for such remuneration for such services either by way of salary, commission or payment of a stated sum of money either monthly or otherwise as may be decided by the board in add on to or substitution for residential above provide and may provide residential accommodation for him and all other necessities at the cost of the company.

QUALIFICATIONS OF DIRECTORS AND VACATION OF OFFICE BY DIRECTORS

60. No person shall be eligible for appointment of director and continue to be director if -
- (a) He is convicted by a court of any offence involving moral turpitude and sentenced in respect thereof to imprisonment for not less than six months:
 - (b) The Producer Company, in which he is a director, has made default in repayment of any advances or loans taken from any company or institution or any other person, which default continues for ninety days
 - (c) He has made default in repayment of any advances or loans taken from the Producer Company in which he is a director:
 - (e) The producer company, in which he is a director -
 - (i) Has failed in filling the annual accounts and annual return for any continuous three financial years commencing on or after the 1st day of April, 2002:
 - (ii) Has failed to repay its deposit or withheld price or patronage bonus or interest there an on due date, or pay declared dividend and such failure continues for one year or more
 - (f) Default is made in holding election for the office of director, in the producer company in which he is a director, in accordance with the provisions of this Act and articles:
 - (g) the Annual General Meeting or Extraordinary General Meeting of the Producer company, in which he is a director, is not called in accordance with the provisions of this Act except due to natural calamity or such other reason.

- (h) He is engaged directly or indirectly including in running the same type of business as that of the Producer Company, or is having direct or indirect interest in such activities.

61. The office of the director of a producer company shall become vacant, in any one or more of the following circumstances:

- (a) He absents himself from three consecutive meetings of the Board without obtaining leave of absence
- (b) He himself resigns from the office of directorship.

POWERS AND FUNCTIONS OF BOARD

62. Management and control of the business of the Company shall be vested in the Board of Directors and Subject to the provisions of this Act and these articles, the Board of directors of the company shall exercise all such powers and to do all such acts and things as the company is by Memorandum of Association or otherwise authorized to exercise and do.
63. In particular and without prejudice to the generally of the foregoing powers, such powers may include all or any of the following matters, namely:-
- (a) Determination of the dividend payable
 - (b) Determination of the quantum of withheld price and recommend patronage to be approved at general meeting
 - (c) Admission of new members
 - (d) Purpose and formulate the organizational policy, objectives, establish specific long-term and annual objectives and approve corporate strategies and financial plans
 - (e) Appointment of a Chief Executive and such other officers and employees of the producer company as may be specified in the articles
 - (f) Exercise superintendence, direction and control over Chief Executive and other officers appointed by it
 - (g) Cause proper books of account to be maintained, prepare annual accounts to be placed before the annual general meeting with the auditor's report and the replies on qualifications, if any, made by the auditors
 - (h) Acquisition or disposal of property of the producer company in its ordinary course of business

- (l) Investment of the funds of the producer company in the ordinary course of its business
 - (j) Sanction any loan or advance in connection with the business activities of the producer company to any member not being a director or his relative
 - (k) Take such other measures or do such other acts as may be required in the discharge of its functions or exercise of its powers.
64. All the powers specified in clauses mentioned above shall be exercised by the board, by means of resolution passed at its meeting on behalf of the producer company.

LIABILITY OF DIRECTORS

- 65.
- (a) When the directors vote for a resolution or approve by any other means, anything done in contravention of the provision of this Act or any other law for the time being in force or anles, they shall be jointly and severally liable to make good any loss or damage suffered by the producer company.
 - (b) Without prejudice to the provision contained in sub-section (1), the Company shall have the right to recover from its director -
 - i. Where such directors has made any profit as a result of the contravention specified in clause (1) above an amount equal to the profit so made,
 - ii. Where the producer company incurred loss damage as a result of the contravention specified in clause (1) above equal to that loss or damage.

COMMITTEE OF DIRECTORS

- 66.
- (a) The Board may constitute such number of committees as it may deem fit for the purpose of assisting the Board in the efficient discharge of its functions;
 - (b) Provided that the board shall not delegate any of its powers or assign the powers of the chief executive to any committee.
 - (c) A committee constituted as above may, with the approval of the Board, co-opt such number of persons, as it deems fit as a members of such committee;
 - (d) Provided that the chief executive appointed under section 581W of the Act or a director of the Producer Company shall be a member of such committee.

- (e) Every such committee shall function under the general superintendence, direction and control of the Board for such duration and in such manner as the Board may direct.
- (f) The fee and allowances to be paid to the members of the committee shall be such as may be determined by the Board.
- (g) The minutes of each meeting of the committee shall be placed before the Board at its next meeting.

PROCEEDINGS OF THE BOARD

67. The Board of Directors may meet together for dispatch of business, adjourn and otherwise regulate meeting and proceedings as they may think fit. Each member of the Board shall have one vote and the questions arising at any meeting shall be determined by a majority of votes. In the case of an equality of votes, the Chairman shall have a second or casting vote. A Director may and the Chief Executive on the requisition of a Director shall, at any time summon a meeting of the Board.
68. A meeting of the Board shall be held not less than once every three months and at least four such meetings shall be held in every year.
69. Notice of every meeting of the Board of directors shall be given in writing to every director for the time being in India and at his usual address in India to every other director.
70. Not less than seven days prior notice of every meeting of the Board shall be given to every Director; Provided that a meeting of the Board may be called at shorter notice for reasons to be recorded in writing.
71. The quorum for a meeting of the Board shall be one-third of the total strength of directors, subject to a minimum of three.
72. The Board may elect a Chairman of its meetings and determine the period for which he is to hold office, but if no such Chairman is present at any meeting, the Directors present shall choose one amongst them to be the Chairman of that meeting.
73. Directors including the co-opted director may be paid fees and allowances per meeting for attending the meeting of the Board as may be decided by the Board.
74. The Directors may also be paid traveling and out of pocket expenses incurred, if any for attending meeting of the Board and / or any other work Company as the Board of Directors may determine.

75. All acts done by any meeting of the Board or committee thereof or by any person calling as a Director shall notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such Directors or of any person acting as aforesaid or that they or any of them were disqualified be valid as if every such Director or such person has been duly appointed and qualified to be a Director.

CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR

CHIEF FINANCIAL OFFICER

76. The Producer Company shall have a full time chief executive, who may also be designated as Managing Director. The Chief Executive shall be appointed by the Board of Directors amongst the persons other than its members.
77. The Chief Executive shall be ex officio director of the Board and such director shall not retire by rotation.
78. The Chief Executive shall be entrusted with substantial powers of management as the Board may determine.
79. The Managing Director shall be ex-officio director of the board having voting rights equal to any other director, but shall not vote in the election of the directors or chairman or on any matter in which he is interested party along with Directors Report.
80. Functions of the Chief Executive will be as under:
- (a) Do administrative acts of a routine nature including managing the day-to-day affairs of the producer company;
 - (b) Operate bank accounts or authorize any person, subject to the general or special approval of the Board in this behalf to operate the bank account;
 - (c) Make arrangements for safe custody of cash and other assets of the Producer Company.
 - (d) Sign such documents as may be authorized by the Board, for and on behalf of the company
 - (e) Maintain proper books of account, prepare Annual Accounts and Audit thereof place the audited accounts before the board and in the Annual General Meeting of the members
 - (f) Furnish members with periodic information to appraise them of the operation and functions of the producer company.

- (g) Make appointments to posts in accordance with the powers delegated to him by the Board
- (h) Assists the Board in the Information of goods, objectives and strategies, plans and policies
- (i) Advises the Board with respect to legal and regulatory matters concerning the proposed and ongoing activities and takes necessary action in respect thereof
- (j) Exercise the powers as may be necessary in the ordinary course of business
- (k) Decide as per Boards approved policies, procedures and limits, purchase price and sale price of products of the company and all other items pertaining to the business and activities of the Company.
- (l) Arrange to purchase machinery, equipment and such capital items as are required for the business of the company as per the policies and procedures set for the purpose by the Board of Directors
- (m) Arrange for adequate security against embezzlement, stealing, fraud, misappropriation and damage by employees handling cash, good, security and other assets.
- (n) Arrange for insurance against loss property
- (o) Discharge such other functions and exercise such powers as may be delegated by the Board.

81. The Chief Executive shall manage the affairs of the producer company under the general superintendence, direction, control of the board of the producer company and accountable for the performance of the producer company.

APPOINTMENT OF THE COMPANY SECRETARY

82. The Company on attaining an average annual turnover exceeding Five Crore rupees in each of three consecutive financial years shall appoint a whole - time secretary.
83. No individual shall be appointed as whole-time secretary unless he possess membership of the Institute of the Institute of Company Secretaries of India constituted under the company Secretaries act, 1980 (56 to 1980)

SEAL

84. The Board shall provide for a Common seal of the Company and for the safe custody of the same. It shall be used only with the authority of the Board and be affixed on any

Instrument in the presence of a Director or such other person as may be authorized. The company can have an official seal for use abroad.

APPROPRIATION OF NET PROFIT

85. There shall be a limited return (dividend) up to 15% per annum, or as may be specified by the board and approved in the General Meeting from time to time, on fully paid up share capital, but not exceeding as recommended by the Board in proportion to the capital paid up on shares after providing for depreciation.
86. The Board can carry forward the profits without declaring dividend or can declare interim dividend without General Meeting Resolution.
87. Dividend may be paid by cheque or warrant payable to the member whose name appears on the register of members on a particular day as may be decided by the Board.
88. In every financial year the company shall set aside certain amount of profits as may be decided by the Board as General Reserve, which shall be applied in the manner as may be from time to time decided by the Board.
89. The surplus, after distributing dividend arising out of the operations of the producer company shall be distributed or maintained as -
 - (a) Cash reserve for providing for development of the business of the producer company or any business contingency as may be specified by the Board.
 - (b) Providing for common facilities;
 - (c) Distributing such patronage bonus amongst the members, as may be admissible in proportion to their respective participation in business as decided by the Board.

CAPITALIZATION

90. Subject to the provisions of the Act, the company in General Meeting may, upon the recommendation of the Board resolve to capitalize all or a part of the amount for the credit of the profit and loss account, or otherwise available for distribution as bonus shares and utilize the same for issue of fully paid bonus shares among the members who are entitled for dividend and in the same proportion.

ACCOUNTS

91. Company shall keep at its registered office proper books of account with respect to -
 - (a) All sums of money received and expended by the producer company and the matters in respect of which the receipts and expenditure take place.

- (b) All sales and purchases of goods by the producer company;
- (c) The instruments of liability executed by or on behalf of the producer company;
- (d) The assets and liabilities of the producer company.
- (e) In case of a producer company engaged in production, Processing and manufacturing, the particulars relating to utilization of materials or labour or other items of costs.

92. The Balance sheet and the profit and loss account shall be prepared, as far as may be, in accordance with the provisions contained in the Companies Act, 1956.

INTERNAL AUDIT

93. The producer company shall have internal audit of its accounts carried out, at regular intervals a may be decided by the board of directors, by a chartered accountant as defined in clause b) of sub section (1) of section 2 of the institute of chartered Accountants Act, 1949 (38 of 1949).

LOANS TO MEMBERS AND INVESTMENTS

94. The board may provide financial assistance to the members of the producer company by way of -
 - (a) Credit facility to any member, in connection with the business of the producer company, for a period not exceeding six months;
 - (b) Loans and advances, against security as may be required by the Board, to any member, repayable within a period exceeding three months but not exceeding seven years from the date of disbursement of such loan or advances. On such terms and conditions as the Board of directors may determine; Provided that any loan or advance to any director or his relative shall be granted only after approval by the members in general meeting.
95. The company shall make investments in accordance with the provisions contained in subsections (2) to (a) section 581ZL of the Companies Act, 1956.

AMALGAMATION, MERGER OR DIVISION

96. The company may be amalgamated or merged with the provisions contained in section 581ZN of the Companies Act 1956.

WINDING UP

97. If the company shall be wound up whether voluntarily or otherwise. The liquidator may with the sanction of a special resolution divide among the contributors in specie or in kind, any part of the assets of the Company and may with the like sanction vest any part of the assets of the company in trustee upon such trust for the benefit of the contributors or any of them as the liquidator with the like sanction may think fit

INDEMNITY

98. Subject to the provisions of the Act, the Director, Secretary, Auditors and every other officer for the time being of the Company and trustee for the time being in relation to any of the affairs of the company and their heirs, Executors and administrators respectively shall be indemnified out of the Company from and against all suits, proceedings, costs, charges, losses and expenses which they or any of them shall or may incur or sustain by reason of any act done or omitted in or about the execution of their duty in their respective office of trust. Except such (if any) as they shall occur or sustain by or through their own willful neglects or defaults respectively, and no such officer or trustee shall be answerable for the acts, receipts, neglects or defaults of any other officer or trustee or for joining in any receipt for the sake of conformity or for the solvency or honesty of any bankers or other persons with whom any moneys or effects belonging to the Company may be lodged or for the insufficiency or deficiency of any security upon which any moneys of the company shall be placed or invested or for any other loss. Misfortune or damage which may happen in or about the execution of his office or trust unless the same shall happen through the wishful neglect or default of such officer or trustee.

SECURITY

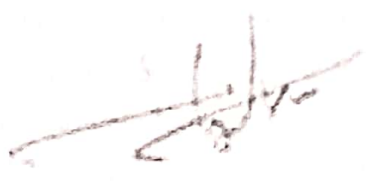
99. Every Director, Secretary, Auditor and any other officer or employee of the Company shall, if so required by the Directors, before entering upon duties, sign a declaration pledging to observe a strict secrecy in respect of all the affairs of the Company.
100. Subject as conferred by law no member shall be entitled to visit or inspect any accounts, books, documents or works of the Company without the permission of the Directors or require discovery of any of the Company trade secrets, process or another matter which would in the opinion of the Directors be expedient in the interest of the Company not to be disclosed.

ADDRESS, DESCRIPTION
AND OCCUPATION OF
EACH SUBSCRIBER

1. NAME: BHEEMSAN
KUNJAM
FATHERS NAME: DEVA
RAM KUNJAM
ADDRESS:
SCHOOLPARA VILL P.O.
GONGPAL
KATEKALYAN
DHANTEWADA
CHHATTISGARH
494552
OCCUPATION:
BUSINESS



2. NAME: HARSH KUMAR
TATI
FATHERS NAME: AAYTU
ADDRESS: VILL-
HITAWAR, NAKULNAR
PATEL PARA BACHELI
CHHATTISGARH
494553
OCCUPATION :
BUSINESS

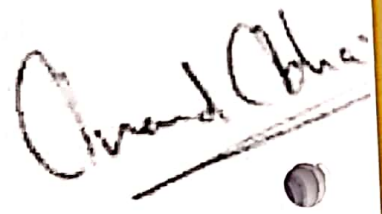


3. NAME: KUNTI NAG
FATHERS NAME:
AMRIT KASHYAP
ADDRESS: MALIWADA
PUJARI PARA DIST
DHANTEWADA
CHHATTISGARH
494552
OCCUPATION: BUSINESS



DESCRIPTION AND
OCCUPATION OF WITNESS
AND HIS SIGNATURE

I WITNESS TO SUBSCRIBE
TO (10) WHO HAVE SUBSCRIBED
AND SIGNED IN MY PRESENCE
RAIPUR ON 12-12-2022. FURTHER
I HAVE VERIFIED THEIR
IDENTITY DETAILS (ID) FOR
THEIR IDENTIFICATION AND
SATISFIED MYSELF OF THEIR
IDENTIFICATION PARTICULARS
AS FILLED IN



NAME: ANAND ACHARYA
ADDRESS: C-15, SHYAM MAHARAJ
NEAR LIC BUILDING FIRST FLOOR
PANDRI RAIPUR CHHATTISGARH
492001

OCCUPATION: COMPANY
SECRETARY
MEMBERSHIP NO. : 61510
CERTIFICATE OF PRACTICE
23001

MARKA PARA
TEWADA
CHHATTISGARH
494552
OCCUPATION: BUSINESS

[Handwritten signature]

5. NAME: PEELA
KUHRAMI
FATHERS NAME:
PANDU KUHRAMI
ADDRESS: GADHMIRI
PATEL PARA PO
NAKULNAR KUAKONDA
CHHATTISGARH
494552
OCCUPATION:
BUSINESS

[Handwritten signature]

6. NAME: SOMAROO
KUNJAM
FATHERS NAME: SONA
KUNJAM
ADDRESS: V GONGPAL
PATEL PARA B
KUAKONDA
CHHATTISGARH
494552
OCCUPATION :
BUSINESS

[Handwritten signature]

7. NAME: SUNITA
FATHERS
NAME: LAKHMA
MARKAM
ADDRESS: HITAWAR
NAKULNAR
DANTEWADA
CHHATTISGARH
494552

[Handwritten signature]

ADDRESS:

उमरा

OCCUPATION: BUSINESS

9. NAME: DINESH
KUMAR THAKUR
FATHERS
NAME: HUNGA RAM
THAKUR
ADDRESS: PATEL PARA
PENTA DANTEWADA
CHHATTISGARH
494552
OCCUPATION:
BUSINESS

Dhans

10. NAME: PANDU RAM
KOVASI
FATHERS
NAME: SOMDU KOVASI
ADDRESS: SCHOOL
PARA DORIRAS
KUAKONDA TIKANPAL
CHHATTISGARH
494552
OCCUPATION:
BUSINESS

Pand