

THE COMPANIES ACT, 2013
COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION

OF

MONAL FARMERS PRODUCER COMPANY LIMITED

I. PRELIMINARY

1. The regulations contained in table 'A' in the first schedule to the Companies Act, 2013 shall not apply to this producer company.

II. INTERPRETATIONS

2. (a) In these Articles unless there be anything repugnant to the subject or context the following words shall have the meaning written against them:
- 1) "The Act" or "The Companies Act" means the Companies Act, 2013 and its statutory modifications from time to time and all rules made there under.
 - 2) "The Company" or "this Company" when used with reference to this company shall mean **"MONAL FARMERS PRODUCER COMPANY LIMITED"**.
 - 3) "**Articles of Association**" means these articles, which may be amended by the Company with approval by a General Meeting and filed with the Registrar of Companies.
 - 4) "The Seal" shall mean the Common Seal of the Company approved by the Board of Directors from time to time.
 - 5) "**Member**" means a person admitted as a member of the Company under the provisions of these Articles.
 - 6) "**Active Member**" means a member of this producer company, which fulfils all qualifications for active membership as laid down in the Articles (Clause No. 7 (e))
 - 7) "**Person**" shall include any Association, Corporation, Company as well as individual.
 - 8) "**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.
 - 9) "**Board**" means the Board of Directors constituted under the provisions of these Articles.
 - 10) "**Commodity**" includes raw materials, finished products, packaging material, equipment and machinery.
 - 11) "**General Meeting**" includes annual and special general meetings.
 - 12) "**Managing Director**" an individual, who has been appointed by the Board as chief executive for the management of the affairs of the Company.
 - 13) "**Producers' Institution**" any association of persons whose members are individually engaged in the production of products dealt with by the company and who associate with each other for the purpose of sharing facilities
 - 14) "**Mutual Assistance Principles**" means the principles set out in these Articles.
 - 15) "**Patronage**" means the use of services offered by the Company to its Members by participation in its business activities.

हंसा विमला देवी

हेमन्ती देवी

Rashmi

Manoj Kumar

उमा देवी देवकी जोशी

भागीरथी देवी

सरिता देवी

अतिथि

- 16) **'Patronage Bonus'** means payments made to members of the Company from out of the resultant surplus income.
 - 17) **'Special right'** means any right relating to supply of additional produce by the active Member or any other right relating to his supply of produce or usage of the services offered by the Producer Company.
 - 18) **"Withheld price"** means part of the price due and payable for inputs or products, supplied by any Member to the Producer Company; and withheld by the Producer Company for payment on a subsequent date.
 - 19) **"Auditors"** shall mean and includes those persons appointed as such for the time being by the Company.
 - 20) **"Special Resolution", "Ordinary Resolution" and "Resolution requiring Special Notice"** respectively by the Act shall have the meaning assigned thereto.
 - 21) **"The Office"** means the Registered Office for time being of the Company.
 - 22) **"The Registrar"** means the Registrar of Companies with whom the Company is registered for the time being under section 2(4) of the Act.
 - 23) **"Proxy"** includes attorney duly constituted under a power of attorney.
 - 24) **"Ex-Officio Director"** means the Director appointed by some person by virtue of a power contained in these articles or in agreement between the Company and the appointer.
 - 25) Words importing the singular shall include the plural and the words importing the plural shall include the singular.
 - 26) Words importing the masculine gender include the feminine gender and vice versa.
- (b) 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.

3. The Company to be a Private Company:

- (a) The Company is a Private Company by virtue of provisions of section 378C(5) of the Chapter XXIA of the Companies Act 2013 and according to which there shall not be any limit to the number of members.
- (b) The right to transfer shares of the Company is restricted in the manner and to the extent hereinafter provided.
- (c) No invitation shall be issued to the public to subscribe for any share of the Producer Company.
- (d) No deposits shall be accepted from the public by the Company except from the members, Directors or their relatives.

4. Mutual Assistance Principles:

The Company shall adopt the following mutual assistance principles, namely: -

- (a) the membership shall be voluntary and is available to all eligible Producers and Producers' Institutions who can participate and avail the facilities or services of the Producer Company, or to persons engaged in providing any organizational, technical or financial assistance to Producers' Institutions, and who are willing to accept the duties of membership;
- (b) each member shall, save as otherwise provided in the Part XXIA of the Companies Act, have only a single vote irrespective of the share holding;

हंसा विमला देवी
हेमन्ती देवी Rashmi
N. Manoj Kumar

उमा देवी देवकी जोशी
अमिता कर्नाठ
भागीरथी देवी
सरिता देवी

- (c) the Producer Company shall be administered by a Board consisting of persons elected or appointed as Directors in the manner consistent with the provisions of the Part XXIA of the Companies Act and the Board shall be accountable to the Members;
- (d) Save as provided in the Part XXIA of the Companies Act, there shall be limited return on share capital;
- (e) the surplus arising out of the operations of the Producer Company shall be distributed in an equitable manner by-
 - (i) Providing for the development of the business of the Producer Company;
 - (ii) Providing for common facilities; and
 - (iii) Distributing amongst the Members, as may be admissible in proportion to their respective participation in the business;
- (f) provision shall be made for the education of Members, employees and others, on the principles of mutuality and techniques of mutual assistance;
- (g) the Producer 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.

5. Funds:

- (a) Funds may be raised by:
 - (i) Shares from new members;
 - (ii) Additional shares in proportion to the business transacted with the Producer Company from time to time on the terms and conditions as decided by the Board of the Producer Company and communicated to the members
 - (iii) Deposits from members;
 - (iv) Loans from any financial institution;
 - (v) Grants, aid and subsidies;
 - (vi) Donations
- (b) The Funds of the kind specified in (iii) and (iv) above to be raised, shall not exceed ten times the total of paid up share capital and reserve fund less accumulated losses.
- (c) The Producer Company may accept funds from any development agency or any other financing institution in the form of loans or grants or in any other forms except equity capital, as per the terms and conditions prescribed by such institutions as may be mutually agreed upon.

6. Capital:

- a. The Authorised Share Capital of the Company is such that stated in clause V of the Memorandum of Association of the Company or altered thereat, from time to time. The Company has the power from time to time to increase or reduce its capital. Any of the said shares and new shares hereafter to be created may, from time to time, be divided. The shares may have or confer such special rights and privileges, may be issued under such restrictions and conditions whether in regard to voting or otherwise as shall have been assigned thereto by or under provisions of the Articles of Association but so that the special rights or privileges belonging to holders of any share issued with other rights shall not be varied or abrogated or effected except with such sanction as is provided for hereinafter.
- b. The shares shall be under the control of the Board of Directors 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.
- c. Subject to these presents and the provisions of the Act, the shares of the Company whenever issued shall be under the control and the disposal of Board of Directors who may allot, issue or otherwise dispose of the same or any of them to such institutions or on such terms and conditions and at such times and at par or premium or discount as they may, from time to time, think fit and proper, may also allot and issue shares in capital of the Company in payment or part payment for any property sold or transferred to or for service rendered to the Company in or about the conduct of its business and the

हंसा विमला देवी 3
हेमन्ती देवी Rashmi
Manoj Kumar

उमा देवी देवकी जोशी
भागीरथी देवी

Ar
अमिता देवी
सरिता देवी

shares which may be so allotted may be issued as fully paid up shares and if so issued deemed to be fully paid up shares.

7. Membership:

- (a) The Producer Company shall consist of Primary Producers and Producer Institutions, whether incorporated or not as members, or to persons engaged in providing any organizational, technical or financial assistance to Producer and or Producers' Institutions.
- (b) A Producer Institution that fulfils eligibility conditions under the provisions of these Articles may apply for membership in the prescribed form to the Board of the Producer 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 concerned person by registered post within fifteen days of the date of the decision, or within thirty days from the date of application for membership, whichever is earlier.
- (d) Qualifications for obtaining membership:

A Producers' Institution desirous of becoming a member shall subscribe at least one share to the Producer Company and shall undertake to:

- (i) Provide patronage of at least Rs. 1000/- in the form of products or services of the quality standard prescribed by the Producer Company or provide organisational or technical assistance for 30 person-days or provide financial assistance in the form of loan or grant of at least Rs 1 lakh to the Producer Company;
- (ii) Not indulge in any business which is in conflict to the Producer Company's business interests; and
- (iii) Execute a supply contract containing the specification for quantity and quality of inputs, raw materials or finished products or specification of services along with other terms and conditions of supply to the Producer Company. The Company as per the business requirement may modify the contract.

(e) Qualifications for active membership:

A member shall be deemed to be an active member and continue as such if he has provided patronage of at least Rs. 1,000 during the preceding year or has provided organisational or technical assistance for 30 person-days or provided financial assistance in the form of loan or grant of at least Rs 1 lakh to the Producer Company; in addition to fulfilling all the undertakings specified under article 7 (f),

Provided that all the members of the Producer Company shall be deemed to be active members for a period of one year from the date of its incorporation.

(f) Conditions for Continuation of Membership:

Membership shall continue so long as,

- i) the member has not failed to retain active membership qualifications as stipulated in 7(e) for last three consecutive years, provided that the membership has been acquired during the last three years.
- ii) the member's representative has not failed to attend last two consecutive general meetings of the Producer Company and absence, if any, has received the consent of the General Meeting provided that the membership has been acquired during the last two years
- iii) the member has not defaulted any payment to be made to the Producer Company, exceeding Rs.1,000/- and for a period of last six months.
- iv) the member has not committed any act likely to injure the interest and reputation of the Producer Company,
- v) the member has not wilfully deceived the Producer Company.

हंसा बिमबा देवी 4
हेमन्ती देवी Rashmi
मनोरमा

उमा देवी
भागीरथी देवी

शैलजा जाशी
उजैला क-शाल
सरिता देवी

8. Benefits to Members:

- (a) Every Member shall initially receive only such value for the products and services pooled and supplied to the Producer Company as the Board may determine, and the withheld price may be disbursed at a later date during the financial year, in cash or in kind or by allotment of equity shares, in proportion to the value of products and services supplied to the Producer Company to such extent and in such manner and subject to such conditions as may be decided by the Board.
- (b) The surplus, if any, arising after setting aside provision for payment of limited return and after making provisions for reserves as per the provisions of Article No. 18 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 share or both, as may be decided by the general meeting.

9. Provisions for Special User Rights:

The Board of the Producer Company may from time to time, based on measurable criteria, issue special user rights valid for a specific duration to the active members, to promote the business interests of the Producer Company. Such user rights shall be issued in the form of appropriate instruments.

The instruments so issued shall, subject to the approval of the Board in that behalf, be transferable to any other active member of the Producer Company.

10. Transfer of Shares

- (a) Subject to the provisions of the Companies Act, 2013, a member of the Producer Company may, after holding the shares for a period of at least one year, desirous of transferring the whole or part of his shares along with any special rights, must notify to the Board of Directors of the number of shares and the value, and the Board of Directors must offer to the other active members, the shares offered at the fair value and if the offer is accepted, the shares shall be transferred to the acceptors. In case of any dispute, regarding the fair value of the share it shall be decided and fixed by the experts appointed by the Board for this purpose, whose decision shall be final.
- (b) The Board of Directors may refuse to register any transfer of shares (1) where the Company has a lien on the share, or (2) where the share is not a fully paid up share, subject to Provisions of the Act.

11. Surrender of Shares:

- (a) If any member has ceased to be a producer institution, or has failed to retain qualifications to continue as a member as specified in 7 (f) the Board shall serve with a written notice to the concerned member/s and provide an opportunity of being heard in the next Board meeting.
- (b) If the Board is satisfied it may direct the member for surrender of shares together with special rights, if any to the Producer Company, at par value or at such other value the Board may determine.

12. Voting Rights of the Members:

Newly admitted members shall have no voting right for at least one year. Every active member shall have one vote.

13. General Meetings:

- (a) The general meeting shall consist of the following:
- Any person competent/authorized to represent and act on behalf of the producer institution
 - All members of the Board of the producer Company.

The Chairman of the Producer Company shall preside over the general meeting. In case of his absence, the members present and entitled to vote shall elect one of them as Chairman for the meeting.

हंसा विमला देवी 5
हेमती देवी Rashmi
Manorama

उमा देवी देवकी जोशी
भागीरथी देवी
उमिलो कथाल
सरिता देवी

- (b) The **first general meeting** shall be held within 90 days from the date of its incorporation and have the same powers as are given to the annual general meeting.

14. Annual General Meeting:

The annual general meeting shall be called once in every year within the quarter ending 30th September. However, not more than 15 months shall elapse between the date of one general meeting and that of the next.

- (a) The annual general meeting of the Producer Company shall be called by the Board with not less than fourteen days' notice, which shall specify the date, time, venue and the agenda. The notice of the annual general meeting shall be sent to each member along with the following documents.

- i. The agenda of the meeting;
- ii. Minutes of the previous annual general meeting or extraordinary general meeting, whichever occurred later;
- iii. Names of candidates for election, if any, to the Board of Directors including a copy of a statement of qualifications in respect of each candidate;
- iv. Audited balance sheet and profit and loss accounts of the Producer Company and its subsidiary if any, together with a report of the Board of Directors with respect to:
 1. the state of the Producer Company's affairs,
 2. the amounts proposed to be carried to reserves,
 3. the amount to be paid as return on share capital,
 4. material changes and commitments, if any, affecting the financial position of the Producer Company and its subsidiary, if any, which have occurred in between the date of the annual accounts of the Producer Company to which the balance sheet relates and the date of the report of the Board and
 5. the text of the draft resolution for appointment of the auditors,
 6. any other matter of importance relating to energy conservation and environmental protection, foreign exchange earnings or outgo, etc.
 7. The text of any resolution or proposed amendment to the Memorandum of Association or articles of association to be considered at the annual general meeting along with the recommendations of the Board with respect to each;
 8. Any other matter that is required to be, or may be, specified by the Board.

- (b) The proceedings of every annual general meeting along with Directors Report, the audited balance sheet and the profit and loss account of the Producer Company and its subsidiary, if any shall be filed with the Registrar within thirty days from the date on which the annual general meeting is held, with an annual return along with the filing fees as applicable to a private limited Producer Company.

- (c) The notice of annual general meeting and extra-ordinary general meeting shall be placed on the notice Board of the Producer Company and will also be published at least in one local newspaper.

- (d) Attendance of one third of the total number of active members shall form a quorum for the general meeting.

If there is no quorum within half an hour from the scheduled time of meeting, the meeting shall stand dissolved if it was called upon requisition. But in other cases the meeting is automatically adjourned to reassemble on the same day in the next week. And if at the reassembled meeting also quorum is not

हेसा विमला देवी 6 उमा देवी वेल्ली जोशी
हेमन्ती देवी Rashmi भागीरथी देवी अमिता कचाल
मनोरमा सरिता देवी

present within half an hour of the scheduled time of the meeting, as many members as are actually present shall constitute the quorum.

(e) Functions of the General Meeting:

The annual general meeting shall, among other things, deal with the following:

- i. Confirm the proceedings of the previous General Meeting.
- ii. Declare the names of Board of Directors elected as per the election rules.
- iii. Approve the excess expenditure over the sanctioned budget.
- iv. Receive from the Board the Annual report together with profit and loss account and balance sheet as on 31st March of the preceding financial year of the Producer Company and sanction the appropriation of profits.
- v. Approve the budget and program of activities of the Producer Company for the next year as recommended by the Board.
- vi. Consider and adopt the audit memorandum and audit rectification report.
- vii. The limit of the outside borrowings subject to the conditions specified in the Articles.
- viii. Fix the allowances to be paid to the members of the Board and the members attending the Board meeting and other meetings.
- ix. Appoint auditors and fix their remunerations.
- x. Amendment of the Articles as and when necessary.
- xi. To take note of admission of new members during the year.
- xii. Approve the expenditure incurred on any of the elected members of the Board.
- xiii. Remove member(s) of the Board by simple majority of the active members present and voting at the General Meeting in accordance with provisions of section 284 of the Act.
- xiv. Consider any other business brought forward by or with the consent of the Chairman.
- xv. With the permission of 2/3rd of the members present at the General Meeting any member may bring forward any matter not specified in the notice of the meeting provided that he may not propose an amendment in the Articles and removal of a Director of the Board of the Producer Company.

15. ExtraOrdinary General Meeting:

An Extra Ordinary general meeting may be called at any time:

- (a) by a majority of the Board or
- (b) by the Chairman/Managing Director within one month of requisition in writing from not less than 1/3rd of the active members of the Producer Company;

An extra ordinary meeting of the Producer Company shall be called by the Board with not less than fourteen days' notice, which shall specify the date, time, venue and the agenda.

हंसा विमला देवी 7 उमा देवी रेवती जोशी
हेमन्ती देवी Rashi भागीरवी देवी अमिला कथाल
Manojkumar सरिता देवी

16. Board of Directors:

(a) Board of Directors of the Producer Company shall consist of not more than 15 members as follows:

- i. 10 members elected from amongst the members;
- ii. There may be up to 5 co-opted Directors drawn from amongst experts with relevant experience and proven competence in the main business dealt by the Producer Company and / or nominated by financing institution(s);
- iii. Managing Director shall be the ex-officio Director of the Board;

17. The Minimum and the Maximum number of Directors of the Company shall be 5 (Five) and 15 (Fifteen) respectively. The following persons, who are also the subscribers to the Memorandum, shall act as the First Directors of the Company:

S.No	Names of the First Directors	Address	Occupation
1	Devki Joshi	Village - Varna Airi, Po - Boragaon, District - Pithoragarh, Uttarakhand - 262551	Farmer
2	Manorama Mahra	Village - Kasandev Ladhra, Po - Mirthi, Didihat, Pithoragarh, Uttarakhand -262551	Farmer
3	Uma Devi	Village - Boragaon, Po - Boragaon, Didihat, Pithoragarh, Uttarakhand - 262551	Farmer
4	Urmila Kanyal	Village - Dunakot Naghar, Po - Dunakot Naghar, Pithoragarh, Uttarakhand -262551	Farmer
5	Vimla Devi	H No - 11, Village - Baygaon, Tehsil - Didihat, Pithoragarh, Uttarakhand -262551	Farmer

- (a) The conduct of elections of Directors to the Board of the Producer Company shall be the responsibility of the incumbent Board of the Producer Company, in the manner specified in these articles of association and election rules at least 10 days before the term of office of the outgoing Directors comes to an end. The outgoing Directors shall cease just after the expiry of the term and new Directors shall takeover from the very next day.
- (b) Election of Directors shall normally take place at the annual general meeting. The election rules shall be formulated by the Board and approved by the general meeting.
- (c) The first election of the Board after its incorporation shall take place within one year but after 10 months of its incorporation. The candidates for contesting the election shall have to fulfill all the qualifications required for obtaining the membership except in case of the first election of the Board after its incorporation.
- (d) Where a Board fails to conduct elections before the expiry of the term of the Directors or where there are no Directors remaining on the Board, the chief executive of the Company shall call an extra ordinary general meeting, within twenty days after the expiry of the term of the Directors for the purpose. If the Board is not constituted in the meeting, a three-member ad-hoc Board shall be appointed from among members for the specific purpose of conducting elections and to perform all functions of the articles of association.

हंसा विमला देवी 8
उमा देवी
देवकी जोशी
देवकी देवी Rashed
भागीरथी देवी
अमिता क-याम
सरिता देवी
Manorama

- (e) The term of the ad-hoc Board so appointed shall not exceed three months and the ad-hoc Board shall cease to function as soon as a regular Board is elected in accordance with the articles of association.
- (f) The term of the elected Board shall be 3 years from the date of assumption of office, except for the first Board. After the third year of incorporation, at the end of every two-years after the constitution of the Board, one third of the elected Board members shall retire and be eligible for reappointment. For the first such retirement, the Directors who shall retire shall be determined by draw of lots. Provided, however, that no member can be a member of the Board for a consecutive period of more than nine years.
- (g) Every year after the constitution of the Board, in the first Board meeting, the Board shall elect the Chairman of the Producer Company for a period of two years.
- (h) The Chairman shall preside over the meeting of the Board. In case of his absence, the Directors present shall elect one of the elected Directors as the Chairman of the meeting.
- (i) The Board may meet as often as it may consider necessary for transaction of the business. However, it shall meet at least once in every two months.
- (j) The Board meeting shall be called generally with seven days' notice, but in case of exigencies it can be called at a shorter notice
- (k) The presence of at least three Directors or one third of its total strength, which ever is higher, shall form the quorum for the Board's meeting.
- (l) Each member of the Board shall have one vote.
- (m) Decisions at the meeting of Board shall be arrived at by majority votes of the Directors present. In case of a tie the Chairman of the meeting shall have a casting vote in addition to his usual vote except in case of election of the Chairman. Tie in case of election of Chairman, the matter shall be decided by draw of lots.
- (n) An elected member of the Board who absents from three consecutive meetings of the Board without obtaining the leave of absence shall cease to be a member of the Board.
- (o) No member shall be present at discussion or vote on any matter in which he has personal interest.
- (p) A person competent to represent a Producers' Institution, shall not be eligible for election/continuance as a Director of the Board unless the Producers' Institution, which he is representing:
- has fulfilled all the obligations as mentioned in the articles of association as on 31st March of the preceding year;
 - is an active member of the Producer Company as on the day of election.
 - has not withdrawn/cancelled the authority in writing given to him to represent in the general meeting
- (q) The person representing the Producers' Institution shall also not be eligible for election and continue as such, if -
- 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.
 - the Producer Company, in which he is a Director, has made a default in repayment of any advances or loans taken from any company or institutions or any other person and such default continues for ninety days.

हंसा विमला देवी, उमा देवी, वृषणी जोशी
 हेमन्ती देवी, लक्ष्मी देवी, मणीरानी देवी, अमिता कथाल
 Manojkumar, सरिता देवी

iii. he has made a default in repayment of any advances or loans taken from the Producer Company in which he is a Director;

1. he has direct or indirect interest in any contract made with the Producer Company or any property sold or purchased by the Producer Company or any other transaction of the Producer Company except in any investment made in or in any loan taken from the Producer Company.

2. he is engaged directly or indirectly indulging in running the same type of business as that of the Producer Company, or is having direct or indirect interest in such activities.

(r) Vacation of office by the Directors:

The office of the Director of a Producer Company shall become vacant if, the Producer Company, in which he is a Director-

i. has not filed the annual accounts and annual returns for any continuous three financial years commencing on or after the 1st day of April, 2005; or.

ii. has failed to, repay its deposit or withheld price or patronage bonus or interest thereon on due date, or pay dividend and such failure continues for one year or more.

iii. has defaulted in holding elections for the office of Directors, in the Producer Company in which he is a Director, in accordance with the provisions of this Act and articles.

iv. has failed to convene the annual general meeting or extraordinary general meeting of the Producer Company in which he is a Director, in accordance with the provisions of this Act except due to natural calamities or such other reason.

(s) Powers and Functions of the Board of Directors:

Without prejudice to the generality of the foregoing, such power and functions of the Board of Directors shall include:

i. To admit members;

ii. To formulate a corporate mission; to establish specific long-term annual objectives to be achieved, consistent with the mission and the goals; to formulate and approve corporate strategies;

iii. To approve corporate strategies and financial plans;

iv. To make periodic appraisal of operations of the Producer Company in relation to its mission and objectives;

v. To formulate, approve and periodically review corporate policies related to major functional activities of the Producer Company;

vi. To appoint Managing Director/ as per the provisions of Articles.

vii. To finalize the proposed annual budget, and supplementary budget, if any, for approval at the General Meeting;

viii. To cause:

1. Proper books of accounts to be maintained by the Producer Company, including in computerized form as permitted by the Companies' Act

2. The annual accounts to be prepared for the financial year,

हंसा विमला देवी¹⁰ उमा देवी शर्मला जोशी
हेमती देवी Meenakshamma Roshan भागीरथी देवी अर्जुना कचाल
सरिता देवी

3. The annual accounts to be duly audited by a qualified chartered accountant appointed for that purpose by the General Meeting, and the duly audited accounts to be placed before the General Meeting at the annual general meeting.
- ix. to ensure the calling of annual and other meetings of the General Meeting including the delivery of formal notice; the agenda of the meeting; the names of candidates for election to the Board and a statement of their qualifications; the text of any amendment proposed to the Memorandum of Association and/or articles of association and the rationale for such amendment; and the audited statement of accounts with comments on the auditor's qualification or adverse remarks; and the proposed annual or supplementary budget to be considered by the General Meeting;
- x. to ensure that elections are conducted as provided in the articles of association;
- xi. to determine the quantum of withheld price to be disbursed at the end of any year;
- xii. to acquire or dispose property in the ordinary course of business;
- xiii. to raise funds as provided in these articles.
- xiv. To cause adequate security, insurance of the assets of the Producer Company.
- xv. if required, the Board may constitute Committee/s each for specific duration in framing policies or seeking suggestions in any matter that Board may deem fit under section 581U of the Act. The advisory committee shall cease to exist after finalising its suggestions and recommendations in the matter for the Board.

The committee/s may be formed of the following members:

1. up to two members of the Board
 2. expert/s in concerned field from outside as decided by the Board,
 3. the Managing Director of the Producer Company as member secretary,
- xvi. Institute conduct, defend, compound or abandon any legal proceedings by or against the Producer Company or its officer or otherwise concerning the affairs of the Producer Company and also allow time for payment or settlement of any debt due and settle any claims and/or demands by or against the Producer Company any arbitration or otherwise.
- xvii. delegate to the Managing Director any of its powers under these articles of association of the Producer Company.
- xviii. to ensure compliances, terms and conditions of agreement with the financing institution for loan and grant as mutually agreed upon.
- xix. the Directors shall exercise their powers regarding the affairs of the Producer Company only at meetings of the Board.
- xx. Borrowing Powers:

Subject to provisions of the Companies Act 2013, and Regulations made there under and Directors issued by the RBI the Board of Directors shall have the power, from time to time and at their discretion to borrow, raise or to secure the payment of any sum of money for the purpose of the Company in such manner and upon terms and conditions in all respects as they think fit and in particular by mortgage charged upon all or any of the properties of the Company both present and future including its uncalled capital for the time being.

हंसा विमला देवी 11 उमा देवी वेलची जोशी

हेमती देवी Rashmi भागीरानी देवी उमिलिका कवठार
 मोहनराव सरिता देवी

18. Managing Director:

- (a) The Producer Company shall have a full time Managing Director who shall function as chief executive and shall be appointed by the Board from amongst members and persons other than Members.
- (b) The Managing Director shall be *ex officio* Director of the Board having voting rights equal to any other Director, but he shall not vote in the election of the Directors or Chairmen or on any matter in which he is an interested party. He shall not retire by rotation.
- (c) Save as otherwise provided in these articles, the qualifications, experience and the terms and conditions of service of the Managing Director shall be such as may be determined by the Board.
- (d) The Managing Director shall be entrusted with substantial powers of management as the Board may determine.
- (e) Without prejudice to the generality of sub-section (4) the Managing Director may exercise the powers and discharge the functions namely: -
- i. Perform administrative acts of a routine nature including managing the day-to-day affairs of the Producer Company.
 - ii. 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;
 - iii. Make arrangements for safe custody of cash and other assets of the Producer Company;
 - iv. Sign such documents as may be authorized by the Board, for and on behalf of the Company;
 - v. 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;
 - vi. Furnish Members with periodic information to apprise them of the operations and functioning of the Producer Company;
 - vii. Make appointments to posts in accordance with the powers delegated to him by the Board;
 - viii. Assist the Board in the formulation of goals, objectives, strategies, plans and policies for the Producer Company;
 - ix. Advise the Board with respect to legal and regulatory matters concerning the proposed and on going activities and take necessary action in respect thereof;
 - x. Exercise the powers as may be necessary in the ordinary course of business;
 - xi. Discharge such other functions, and exercise such other powers, as may be delegated by the Board;
 - xii. Decide as per approved Board's policies, procedures and limits, purchase price and sale price of tasar and tasar products, purchase of raw materials, purchase of packaging materials, and all other items pertaining to the business and activities of the Producer Company subject to budgetary provisions.
 - xiii. Arrange to purchase machinery; equipment, and such capital items as are required for the Business of the Producer Company as per policies and procedures set for the purpose and subject to approved budgetary provisions.
 - xiv. Decide the charges on services rendered by the Producer Company.

इंसा विमला देवी¹² उमा देवी देवकी जोशी
हेमती देवी Rashmi भागीरथी देवी उमिलता काशील
Maanraj सरिता देवी

- xv. Arrange for adequate security against embezzlement, stealing, and misappropriation and for damage by employees handling cash, goods and securities.
- xvi. Arrange for insurance against loss of property and take up agency for insurance work.
- xvii. Make all the necessary arrangement for conduct of the business of the Producer Company.
- xviii. Carry out negotiations with Government and other organisations.
- xix. Arrange to keep in custody all documents, promissory notes, bonds, etc.
- xx. Subject to the provisions of the articles of association, the Managing Director shall have full authority to carry out the business of the Producer Company.
- xxi. In absence of the Managing Director, a senior officer authorised by him shall discharge the work of the Managing Director.
- xxii. The Managing Director shall manage the affairs of the Producer Company under the general superintendence, direction and control of the Board and be accountable to the Board for the performance of the Producer Company.

19. Appointment of the Company Secretary:

- (a) If the average annual turnover exceeds five crore rupees in each of three consecutive financial years, the Producer Company shall have a whole-time secretary.
- (b) No individual shall be appointed as whole time secretary unless he possesses membership of the Institute of Company Secretaries of India constituted under the Company Secretaries Act, 1980.

20. Appropriation of Net Profit:

The Producer Company shall maintain a general reserve fund in which 10% of the Net profit or Rs. One lakh, which ever is more, shall be transferred to the general reserves

- (a) There shall be a limited return up to 3% per annum, or as may be specified by the Board and approved by the General Body from time to time, on fully paid share capital;
- (b) The surplus arising out of the operations of the Producer Company shall be distributed in an equitable manner by:
 - i. 5% for development of the business of the Producer Company on year to year basis;
 - ii. 1% for common services;
 - iii. 5% price fluctuation fund;
 - iv. distributing amongst the Members of the excess, as may be admissible in proportion to their respective participation in the business;
 - v. 1% for the education of Members, employees and others, on the principles of mutuality and techniques of mutual assistance.

21. Miscellaneous:

- (a) The Producer Company shall not alter the conditions contained in its memorandum except in the cases, by the mode and to the extent for which express provision is made in the Act.
- (b) The Producer Company may, by special resolution, not inconsistent with section 581B, alter its objects specified in its memorandum.

A copy of the amended memorandum, together with a copy of the special resolution duly certified by two Directors, shall be filed with the Registrar within thirty days from the date of adoption of any resolution.

हंसा विमला देवी 13

उमा देवी देवली जोशी

हेमन्ती देवी

Rashmi

भागीरवी देवी

अश्लेषा कभाल

Manojkumar

सरिता देवी

- (c) Any amendment of the articles shall be proposed by not less than two-thirds of the elected Directors or by not less than one-third of the Members of the Producer Company, and adopted by the Members by a special resolution. A copy of the amended articles together with the copy of the special resolution, both duly certified by two Directors, shall be filed with the Registrar within thirty days from the date of its adoption.

22. The Seal:

The Board of Directors shall select a common seal for the Company and provide by resolution for the safe custody and affixing thereof. Unless otherwise determined, the Director may use and affix the seal of the Company to any document and the Director in accordance with these articles sign every document to which the seal is so affixed.

23. Secrecy Clause

Subject to the provisions of the Act, no member shall be entitled to visit or inspect works of the Company without the permission of a Director or the Managing Director or of the officer authorised by the Managing Director to grant such permission or to require inspection of any books of accounts or documents of the Company or any discovery of any information or any detail of the Company's business or trading or any other matter which is or may be in the nature of a trade secret, mystery of trade or secret process or which may relate to the conduct of business of the Company and which in the opinion of the Managing Director or the Directors will not be expedient in the collective interest of the members of the Company to communicate to the public or any member.

24. Directors and Others' right to indemnity:


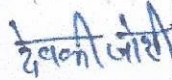

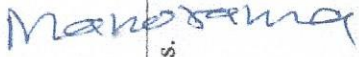



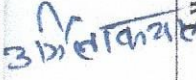

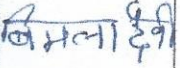
- (a) Subject to the provisions of section 201 of the Act, every Director and officer of the Company shall be indemnified by the Company and it shall be the duty of the Directors to pay out of funds of the Company all costs, losses and expenses (including travelling expenses) which any such Director, officer or employee may incur or become liable to by any reason of any contract, or deed entered into by him as such Director, Officer or servant or in any way in the discharge of his duties.
- (b) Subject to the aforesaid every Director, Managing Director, Manager, Secretary, or other officers or employees of the Company shall be indemnified against any liability incurred by him/them in defending any proceedings whether civil or criminal in which judgement is given in his favour or in which he is acquitted or in connection with any application under section 613 of the Act in which relief is given to him by the Court.

25. Accounts and Audit

- (a) In addition to the sum as provided in the provision of these articles of association all subsidies, entrance fees, receipts on account of forfeited shares and fines other than those collected from the employees shall be carried to the Reserve Fund.
- (b) Any other income other than normal trading income, excess provisions and reserves, donations other than those for specific purposes etc. can be carried to a General Reserve Fund and shall be utilized with the permission of the Board from time to time.
- (c) The accounting year of the Producer Company shall be from 1st April to 31st March. The Board of Directors shall cause proper books of accounts to be maintained as prescribed under the Act and every year a Balance Sheet and Profit & Loss Account of the Company shall be prepared.
- (d) Every Year Books of Accounts of the company shall be audited by a qualified Chartered Accountant or by a firm of qualified Chartered Accountants.
- (e) Auditor of Company shall be appointed by the members every year in the Annual General Meeting who shall hold office till the conclusion of next Annual General Meeting of the company.
- (f) The Directors may fill up any casual vacancy in the office of the auditors.

हेसा विमला देवी 14
 हेमन्ती देवी
 मोहनराज
 उमा देवी
 भागीरथी देवी
 रश्मी
 प्रवन्ती जोशी
 अमिता कथाल
 सरिता देवी

(g) The remuneration of the auditors shall be fixed by the company in the annual general meeting except that remuneration of the first or any auditor appointed by the Directors may be fixed by the Board of Directors.

S. No	Name, Father name, address and Occupation of Subscriber	Photograph of the Subscriber	Signature of Subscribers	Name, Father's name, Addresses and Signature of Witness
1	DEVKI JOSHI D/O SHRI BUDDHIBALLABH BHATT Village - Varna Airi, Po - Boragaon, District - Pithoragarh, Uttarakhand - 262551 Occupation: Farmer			<p>witness the signatures of the subscribers.</p> <p>CA Deepak Kumar Ghanshani S/O Shri Govind Ram Ghanshani 8A, Bengali Mohalla, Karanpur Dehradun, Uttarakhand - 248001</p>
2	MANORAMA MAHRA D/O SHRI BHUPENDRA SINGH BORA Village - Kasandev Ladhra, Po - Mirthi, Didihat, Pithoragarh, Uttarakhand -262551 Occupation: Farmer			
3	UMA DEVI D/O SHRI SOBAN SINGH Village - Boragaon, Po - Boragaon, Didihat, Pithoragarh, Uttarakhand 262551 Occupation: Farmer			
4	URMILA KANYAL D/O SHRI DIWAN SINGH Village - Dunakot Naghar, Po - Dunakot Naghar, Pithoragarh, Uttarakhand -262551 Occupation: Farmer			
5	VIMLA DEVI D/O SHRI CHANCHAL SINGH CHUPHAL H No - 11, Village - Baygaon, Tehsil - Didihat, Pithoragarh, Uttarakhand -262551 Occupation: Farmer			

15

हंसा देवकी
देवकी देवी
Manorama

विमला देवी
Rashmi

उमा देवी
भागीरथी देवी

देवकी जोशी
अमिता कश्यप
समिता देवी

6	BHAGRATHI DEVI D/O SHRI PUSHKAR SINGH Village - Chama, Po - Shini, Tehsil - Didihat, Pithoragarh, Uttarakhand 262551 Occupation: Farmer		भागीरथी देवी
7	HANSA D/O SHRI DIWAN SINGH Village - Hunera, Po - Adichaurah, Tehsil - Didihat, Pithoragarh, Uttarakhand -262551 Occupation: Farmer		हंसा
8	HEMANTI DEVI D/O SHRI PREM SINGH H No - 98, Village - Kirauli, Pithoragarh, Uttarakhand -262551 Occupation: Farmer		हेमन्ती देवी
9	RASHMI CHAUHAN D/O SHRI DHARAM SINGH BORA Village -Hunera, Po - Adichaura, Didihat, Pithoragarh, Uttarakhand - 262551 Occupation: Farmer		Rashmi
10	SARITA DEVI D/O SHRI DAN SINGH Village - Banku, Po - Dunakot, Tehsil - Didihat, Pithoragarh, Uttarakhand -262551 Occupation: Farmer		सरिता देवी

I witness the signatures of the subscribers.

CA Deepak Kumar Ghanshani
S/O Shri Govind Ram Ghanshani
8A, Bengali Mohalla, Karanpur
Dehradun, Uttarakhand - 248001

Place : Pithoragarh
Dated this 21th Day of June, 2022

हंसा विमला देवी
हेमन्ती देवी

16
उमा देवी
Rashmi भागीरथी देवी

देवन्ती जोशी
उमिलाकाशील
सरिता देवी