

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

1. PRELIMINARY

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

2. INTERPRETATIONS

2.1 In these Articles unless there be anything repugnant to the subject or context the following words shall have the meaning written against them:

- a) "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.
- b) "The Company" or "this company" when used with reference to this company shall mean "**THIKRI CROP PRODUCER COMPANY LIMITED**".
- c) "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.
- d) "The Seal" shall mean the Common Seal of the company. Approved by the Board of Directors from time to time.
- e) 'Member' means any person/group (registered/ unregistered) admitted as a member of the Company under the provisions of these Articles.
- f) 'Active Member' means a member of this producer company, which fulfils all qualifications for active membership as laid down in the Articles
- g) "Person" shall include any Association, Corporation, Company as Well as individual.
- h) '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.
- i) 'Board' means the Board of Directors constituted under the provisions of these Articles
- j) 'Commodity' includes all agricultural, horticultural, medicinal, spices,

forestry; dairy produces their allied products, raw or processed.

- k) "General Meeting" includes annual and extra ordinary or special general meetings.
- l) 'Chief Executive Officer (CEO) an individual, who is a full-time paid employee or deputed by the promoting organization, has been appointed/approved by the Board as chief executive for the overall management of the affairs of the Company as per an employment agreement.
- m) 'Mutual Assistance Principles' means the principles set out in these Articles.
- n) 'Patronage' means the use of services offered by the Company to its Member by participation in its business activities;
- o) 'Patronage Bonus' means payments made to selected members of the Company from out of the resultant surplus income which is proportionate to their contribution/participation in the promotion of business of the company.
- p) "Withheld price" means part of the price due and payable for various crop produces and inputs, supplied by any Member to the Producer Company; and withheld by the Producer Company for payment on a subsequent date.
- q) "Auditors" shall mean and includes those persons appointed as such for the time being by the company
- r) "Special Resolution", "Ordinary Resolution" and "Resolution requiring Special Notice" respectively by the Act shall have the meaning assigned thereto.
- s) "The Office" means the Registered Office for time being of the Company.
- t) "The Registrar" means the Registrar of Companies with whom the company registered for the time being under the Act.
- u) "Proxy" includes attorney duly constituted under a power of attorney.
- v) "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.
- w) "Promoting Agency/Project" means promoting agency may be government or non-government organization promoting this producer company for the interest of the farmers/ producers only.
- x) Words importing the singular shall include the plural and the word importing the plural shall include the singular.

- y) Words importing the masculine gender include the feminine gender and vice versa.

2.2 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 378ZR of the CHAPTER XXIA of the Companies Act 2013 and there shall not be any limit to the number of members pursuant to section 378C.
- (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 or debenture of the Producer Company.

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 members or producer institutions specified in this Articles of Association who can participate and avail the facilities or services of the Producer Company.
- (b) each member shall, save as otherwise provided in the CHAPTER XXIA of the Companies Act, have only a single vote irrespective of the shareholding;
- (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 CHAPTER XXIA of the Companies Act and the Board shall be accountable to the Members;
- (d) Save as provided in the CHAPTER 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:

- (i) Funds may be raised by:
 - a) Shares from new members;
 - b) Issue of shares to existing members as decided by the Board of the Producer Company and communicated to the members
 - c) Deposits received from members;
 - d) Loans from any financial institution;
 - e) Grants, aids and subsidies from any Government and Non-Government Organization;
 - f) Donations for any individual or organization
 - g) The Funds of the kind specified in c) and d) above to be raised, shall not exceed fifteen times the total of paid-up share capital and reserve fund less accumulated losses.
 - h) 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.

(ii) **SHARE CAPITAL**

1. 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 preferential or other special rights and privileges may be issued under such restrictions and conditions whether in regard to dividend, voting, return of capital 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 preferred or other rights shall not be varied or abrogated or effected except with such sanction as is provided for hereinafter.

2. The shares shall be under the control of the Board of Directors who may allot or otherwise dispose of the same to such members on such terms as the Board of Directors think fit whether at par or at premium and for such consideration as the Board of Directors think fit.
3. 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 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.

6. MEMBERSHIP:

- 6.1 The Producer Company shall consist of members or any type of producer's groups/individual producers whether incorporated or not and to any producer person sincerely engaged in providing any organizational, technical or financial assistance to above producer's groups.
- 6.2 A Producer Institution who 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.
- 6.3 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.
- 6.4 Every Member shall, within three months of his becoming a Member in the Producer Company, nominate, in the manner specified in articles, a person to whom his shares in the Producer Company shall vest in the event of his death. The nominee shall, on the death of the Member, become entitled to all the rights in the shares of the Producer Company and the Board of that Company shall transfer the shares of the deceased Member to his nominee. In a case where such nominee is not a producer, the Board shall direct the surrender of shares together with special rights, if any, to the Producer Company at par value or such other value as may be determined by the Board.

6.5 Qualifications For Obtaining Membership:

- 6.5.1 A member of any Producer Groups/Farmers Groups/Learning Group/Kisan Club /Self Help Groups /Water User Group or any non-member/individual belongs to the above category of producer or farmers and desirous to becoming a member shall subscribe at least one share to the Producer Company.
- 6.5.2 Member who didn't declared as defaulter in repayment of any advances or loans or services taken from the Producers Company or similar institutions and don't have the possibility to repeat such act again and same guaranteed by the any member of the producer company, if already exists in the same area.
- 6.5.3 He/ She did not convicted by the Board/Committee formed by the board / any court in producer company matter and his membership seized.
- 6.5.4 No person who has any business interest which is in conflicts with business of the producer company shall become a member of that company.
- 6.5.5 A member who acquires any business interest which is in conflicts with the business of the producer company shall cease to be a member of the company and be removed as a member by the CEO itself without any delay when came to his notice. However, a prior /post facto permission of BOD/EGM shall be taken in just coming meeting.

6.6 Qualification of Active Member

- 6.6.1 "Active member" a member/ members who will actively participate in activities /business/ services offered by the company like crop production, procurement, purchases or sales of agriculture inputs and supply of produces, organize certified crop production, procurement, crop supervision or inspection or taking any other responsibility given by the BODs for the interest of the Producer Company shall be considered as active member of the company and same should be declared by the Board of the Directors.
- 6.6.2 A member who is willing and participating in all company's affairs, meetings and programmes and not to absent in any meeting or programmes (like, production, Procurement and sells, if qualifies the criteria of that activity and invited) so far without prior information or any beyond control or unavoidable reason, shall be considered as an active member of the company.

7. BENEFITS TO MEMBERS:

- 7.1 Every Member shall initially receive only such value for the produces 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 various produces supplied to the

Producer Company to such extent and in such manner and subject to such conditions as may be decided by the Board.

- 7.2 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 of Association 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 as a special services or facilities like group health/crop insurance, soil sample test, use of company's tools and machineries with subsidized or without cost etc.

8. PROVISIONS FOR SPECIAL USER RIGHTS:

- 8.1 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.
- 8.2 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.

9. TRANSFER OF SHARES

- 9.1 Subject to the provisions of Section 378ZD of the Companies Act 2013, a member of the Producer Company may, after holding the shares for a period of at least one year, obtaining the prior approval of the Board, may transfer the whole or part of his shares along with any special rights to an active member at par value.
- 9.2 There is a lock in period of one year requires for transfer of share and may transfer 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.
- 9.3 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.
- 9.4 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 applicable provisions of the Act.

10. SURRENDER OF SHARES:

- 10.1 If any member has ceased to be a producer institution, or has failed to retain qualifications to continue as a member as specified, 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.

10.2 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 the Board may determine such other value.

11. VOTING RIGHTS OF THE MEMBERS:

- 11.1 All member can cast their vote during the voting in general however newly admitted members shall have no voting right for at least 6 months for the election of the chairman or the board of the directors unless he/she has very actively participated in the business activity of the company during the same cropping season.
- 11.2 Same as otherwise provided in section 378D (1) b, every active member shall have only one vote.
- 11.3 There shall be no allocation of additional votes to any type of member irrespective of anything. However, patronage bonus and additional share can be issued as a bonus or reward against his active participation in the business of the company.
- 11.4 During voting, in the case of equality of votes, the chair person or the presiding shall have a casting vote except in the case of election of the chairman.
- 11.5 Member who earned additional share as a patronage bonus/rewarded or eligible for maximum patronage bonus on the basis of his/her performance in terms of participation/contribution in the growth and business promotion of the company and same is declared by the BOD or AGM, shall be given preference for contesting in the election of BOD member or chairman.
- 11.6 Every active member can cast their vote for election of the board of Directors/Chairman however newly admitted members cannot contest in the election of the Chairman/BOD minimum of 6 month.
- 11.7 After completion of the 1 year as an active member, he/she can contest the election of Chairman/BOD however he/she requires minimum support of 20 active members as a introducers or supporters.
- 11.8 In case of group-based membership or in case of mixed membership means mixture of both individual and group-based membership, irrespective of number of shares purchased or hold, all group will have only single vote.
- 11.9 Means in this company, vote will not proportionate to the no. of share any group or individual holds.
- 11.10 Group shall be represented by their Group Leader as authorised in a special meeting and same is recorded in their meeting register, signed by all group members.
- 11.11 A copy of resolution (as an authority letter) along with filled share application form shall be submitted to the Producer Company to become the member of the Producer Company.
- 11.12 CEO of the PC will bring this matter into the BOD meeting and decision shall be informed within 30 days to the group in writing, reasons in case of refusing the

membership.

11.13 After accepting the membership, the person or group will be asked for depositing the share money for no. of share he/she wants to purchase.

11.14 A group/person can also give an advance amount to the company to become the shareholders of the company, or he/she can authorise company to adjust the share money from the any advance deposited earlier for another purpose, or any other amount payable to him/her from the company. Same can be adjusted after the acceptance of the membership or can be returned to the concern groups/individual without any interest in case of non-acceptance of the membership.

12. GENERAL MEETINGS

12.1 The general meeting shall consist of the following:

- a) Any person competent/authorized to represent and act on behalf of the producer institution.
- b) All members of the Board of the producer Company.

12.2 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 preferably from BODs.

13. The **first Annual 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:

14.1 The Annual General meeting shall be called once in every year within six months from the closure of the financial year. However, not more than 15 months shall elapse between the date of one general meeting and that of the next.

14.2 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 extra ordinary 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:

- a) the state of the Producer Company's affair,
- b) the amounts proposed to be carried to reserves,
- c) the amount to be paid as return on share capital,
- d) 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,
- e) the text of the draft resolution for appointment of the auditors.
- f) any other matter of importance relating to energy conservation and environmental protection, foreign exchange earnings or outgo, etc.
- g) 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;

14.3 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.

14.4 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 newspaper or demonstrated in public places easy to readable to the all-common people.

14.5 Attendance of one third of the total number of active members shall form a quorum for the general meeting.

14.6 If there is no quorum within one to one & half hour from the 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 next week. And if at the reassembled meeting also quorum is not present within half an hour, as many members as are actually present shall constitute the quorum.

14.7 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 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 member 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 169 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 presents 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. EXTRA ORDINARY GENERAL MEETING:

15.1 An Extra Ordinary General Meeting may be called at any time:

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

15.2 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.

16. BOARD OF DIRECTORS:

16.1 Every Producer Company will have their Board of Directors from the inception that will be the Governing Body of the Producer Company and will be responsible for the proper management of the Company.

16.1.1 Board of Directors of the Producer Company shall have minimum 5 but not more than 15 members however it can be maximum up to 18 including the (1/5 of total BODs) technical or an additional directors drawn from amongst experts with relevant experience and proven competence in the main business dealt by the Producer Company and / or chosen by AGM/BOD of Producer Company or nominated by supporting agency or financing institution (s) only.

16.1.2 The Minimum and the Maximum number of Directors of the Company shall be 5 (Five) and 15 (Fifteen) respectively. The First Directors of the Company shall be:

Sr. No	Name of First Directors
1	VIRENDRA YADAV
2	OMPRAKASH YADAV
3	YASHWANT YADAV
4	ASHARAM AALVE
5	GANESH WASKLE

16.2 Election of the Board of Directors:

Theses BODs (except technical directors) shall be elected from amongst the company members only who are considered as an active member (actively involved in company's all business activities)

- Person should not hold any responsible position in any political party.
- He /She should be socially accepted in their local community and should not convicted by local/ District court for any criminal/ moral/ social offence
- He/ She should not involve in any activity that is either conflict of interest with the company's business interest or harmful for the overall growth or performance of the producer company.

16.3 Election of directors shall normally take place at the annual general meeting. The election rules shall be formulated by the CEO of the Company and shall be approved by the BOD and finally the General Body during AGM or EGM.

- 16.4 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.
- 16.5 **Election of Director in 1st AGM in 90 days form Incorporation**
- 16.6 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.
- 16.7 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.
- 16.8 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-year after the constitution of the Board, one third of the elected board members shall retire and be eligible for reappointment, if found regular and sincere in the meetings and the business of the company.
- 16.9 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.
- 16.10 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 one year.
- 16.11 The Chairman shall preside over the meeting of the board. In case of his absence, the directors present shall elect one of the directors as the Chairman of the meeting.
- 16.12 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.
- 16.13 The Board meeting shall be called generally with seven days' notice, but in case of exigencies it can be called at a shorter notice
- 16.14 The presence of at least three Directors or one third of its total strength, whichever is higher, shall form the quorum for the Board's meeting.
- 16.15 Each member of the Board shall have one vote only.

- 16.16** Decisions at the meeting of Board shall be arrived at by majority votes of the directors present. In case of a tie the Chairman/Chairperson 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.
- 16.17** 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.
- 16.18** No member shall be present at discussion or vote on any matter in which he has personal interest.
- 16.19** Any individual or a person competent to represent producer group/trading group shall not be eligible for election/continuance as a director of the Board unless the group, which he is representing:
- (i) has fulfilled all the obligations as mentioned in the articles of association as on 31st March of the preceding year;
 - (ii) is an active member of the Producer Company as on the day of election.
 - (iii) has not withdrawn/cancelled the authority in writing given to him to represent in the general meeting
- 16.20** Any individual or the person representing the farmers group shall also not be eligible for election and continue as such, if-
- i) 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.
 - ii) 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.
 - iii) he has made a default in repayment of any advances or loans taken from the Producer Company in which he is a director;
 - a) 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.
 - b) 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.

16.21 Vacation Of Office by The Directors:

The office of the director of a Producer Company shall become vacant 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 a default in repayment of any advances or loans taken from any company or institution or any other person and such default continues for ninety days
- (c) he has made a default in repayment of any advances or loans taken from the Producer Company in which he is a director;
- (d) the Producer Company, in which he is a director-
 - (1) has not filed the annual accounts and annual return for any continuous three financial years; or
 - (2) 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.
- (e) 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;
- (f) 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.

16.22 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 finalize the proposed annual budget, and supplementary budget, if any, approval at the AGM.
- (vii) To cause-
 - a) Proper books of accounts to be maintained by the Producer Company, including in computerized form as permitted by the Companies' Act

(xix) Borrowing powers.

Subject to provisions of the Act, and Regulations made there under and Directions 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 the issue of debentures or bonds of the Company or 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.

16.23 All or selected (based on their involvement or participation) BODs/ Technical Director can be paid sitting fees or fixed or variable remuneration for their participation in the meeting or other activities of the companies (which is not for personal benefit only) as decided by BOD and approved in AGM

17. CHIEF EXECUTIVE OFFICER:

(1) Every Producer Company shall have a full time Chief Executive Officer, by whatever name called, to be appointed by the Board from amongst persons other than Members.

(2) The Chief Executive Officer shall be ex officio director of the Board and such director shall not retire by rotation.

(3) Save as otherwise provided in articles the appointment, remuneration, tenure, removal, resignation, termination and the other terms and conditions of service of the Chief Executive shall be mentioned in the agreement executed as may be determined by the Board. Any non-renewal or termination of such agreement shall be decided by the board in a duly constituted board meeting.

(4) The Chief Executive shall be entrusted with substantial powers of management as the Board may determine.

(5) Without prejudice to the generality of sub-section (4), the Chief Executive may exercise the powers and discharge the functions, namely:

(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 apprise them of the operation and

- b) The annual accounts to be prepared for the financial year,
 - c) The annual accounts to be duly audited by a qualified chartered accountant appointed for that purpose by the Annual General Meeting, and the duly audited accounts to be placed before the Annual general Meeting.
- (viii) To ensure the calling of annual and other meetings 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 Annual General Meeting;
 - (ix) To ensure that elections are conducted as provided in the articles of association;
 - (x) To determine the quantum of withheld price to be disbursed at the end of any year;
 - (xi) To acquire or dispose property in the ordinary course of business;
 - (xii) To raise funds as provided in these articles.
 - (xiii) To cause adequate security, insurance of the assets of the producer company.
 - (xiv) 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 378U of the Act. The advisory committee shall cease to exist after finalizing 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 CEO of the Producer Company as member secretary,
 - (xv) 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.
 - (xvi) delegate to the CEO any of its powers under these articles of association of the Producer Company.
 - (xvii) To ensure compliances, terms and conditions of agreement with the financing institution for loan and grant as mutually agreed upon.
 - (xviii) The Directors shall exercise their powers regarding the affairs of the Producer Company only at meetings of the Board.

(xix) Borrowing powers.

Subject to provisions of the Act, and Regulations made there under and Directions 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 the issue of debentures or bonds of the Company or 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.

16.23 All or selected (based on their involvement or participation) BODs/ Technical Director can be paid sitting fees or fixed or variable remuneration for their participation in the meeting or other activities of the companies (which is not for personal benefit only) as decided by BOD and approved in AGM

17. CHIEF EXECUTIVE OFFICER:

(1) Every Producer Company shall have a full time Chief Executive Officer, by whatever name called, to be appointed by the Board from amongst persons other than Members.

(2) The Chief Executive Officer shall be ex officio director of the Board and such director shall not retire by rotation.

(3) Save as otherwise provided in articles the appointment, remuneration, tenure, removal, resignation, termination and the other terms and conditions of service of the Chief Executive shall be mentioned in the agreement executed as may be determined by the Board. Any non-renewal or termination of such agreement shall be decided by the board in a duly constituted board meeting.

(4) The Chief Executive shall be entrusted with substantial powers of management as the Board may determine.

(5) Without prejudice to the generality of sub-section (4), the Chief Executive may exercise the powers and discharge the functions, namely:

(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 apprise 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) assist the Board in the formulation of goals, objectives, strategies, plans and policies;

(i) advise the Board with respect to legal and regulatory matters concerning the proposed and ongoing activities and take necessary action in respect thereof;

(j) exercise the powers as may be necessary in the ordinary course of business;

(k) discharge such other functions, and exercise such other powers, as may be delegated by the Board.

18. APPOINTMENT OF THE COMPANY SECRETARY:

18.1 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.

18.2 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.

19. APPROPRIATION OF NET PROFIT:

The Producer Company shall maintain a general reserve fund in which 10% of the Net profit, shall be transferred to the general reserves:

19.1 There shall be a limited return up to 3% per annum, or as may be specified or recommended by the Board and approved by the General Body from time to time, on fully paid share capital;

19.2 The surplus arising out of the operations of the Producer Company shall be distributed in an equitable manner by-

- i. 75% for development of the business of the Producer Company on year-to-year basis;
- ii. 10% for common services like crop and health insurance or withheld price
- iii. 5% distributing amongst the Members of the excess, as may be admissible in proportion to their respective participation in the business;
- iv. 10% for the education of Members, employees and others, on the company's business, principles of mutuality and techniques of mutual assistance;

20. MISCELLANEOUS:

20.1 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.

- 20.2 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.
- 20.3 The accounting year of the Producer Company shall be from 1st April to 31st March. The books of accounts and other records shall be maintained as prescribed.
- 20.4 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.
- 20.5 The Producer Company may, by special resolution, not inconsistent with section 378B, alter its objects specified in its memorandum.
- 20.6 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.
- 20.7 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.

21. 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 CEO may use and affix the seal of the company to any document and the CEO in accordance with these articles sign every document to which the seal is so affixed. However, in special cases Chairman or the any director authorised by the BOD, can sign the document along with the CEO of the company.

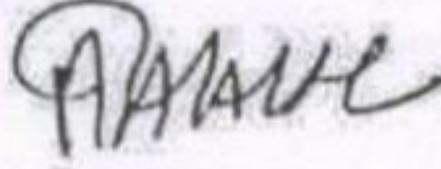
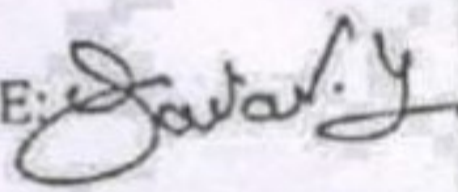
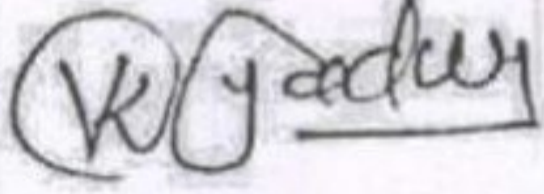
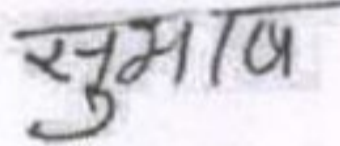
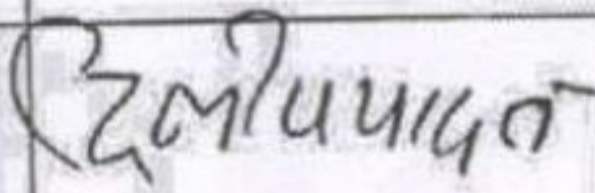
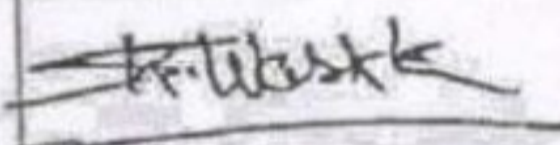

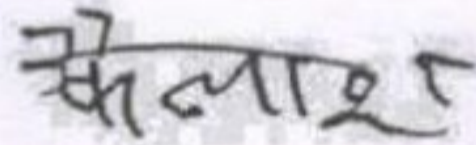
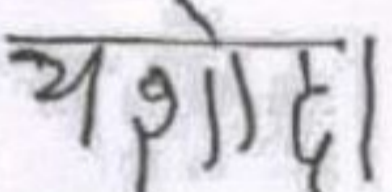
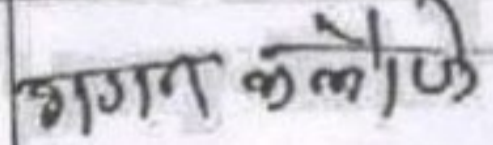
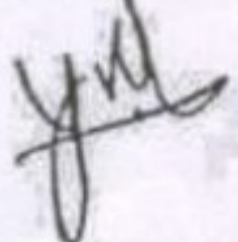
22. SECRECY CLAUSE

Subject to the provisions of the Act, no member shall be entitled to visit or inspect works of the Company without the permission of the Director or of the officer authorized by the 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 secrete processor which may relate to the conduct of business of the Company and which in the opinion of the Directors will not be expedient in the collective interest of the members of the Company to communicate to the public or any member.

23. DIRECTORS AND OTHERS' RIGHT TO INDEMNITY:

- 23.1** Subject to the provisions 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.
- 23.2** Subject to aforesaid every Director, CEO, 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 favor or in which he is acquitted.

We, the several Person whose names and addresses are subscribed below, are desirous of being formed into a Company in pursuance of these ARTICLES OF ASSOCIATION and we respectively agree to take number of shares in the capital of the company set opposite our respective names:

Sr. No.	Name, Father Name, Address, Descriptions, Occupations of Subscribers	Number of Shares Subscribed by Each Subscriber	Signatures of the Subscribers	Name and Signature of the Witness and their Address, Description, Occupation
1.	Asharam Alave S/O Pahad Singh, House. No. 14, Ward No. 03, Village- Kalapani, Post- Devla, Barwani, Madhya Pradesh, 451660 Farming	500		<p>NAME:- Sawan Yadav</p> <p>Address:- Post- Segwal</p> <p>PAN:- NHVPS5734J</p> <p>AADHAR:- 3084-280293</p> <p>SIGNATURE: </p> <p>"I Witness to above Subscribers who have Subscribed and signed in my presence and further I have verified their Identity details (ID) for their identification and satisfied myself of their identification particulars as filled in."</p>
2.	Virendra Yadav S/o Lukaram, Teh. - Thikri, Post, Segwal, H. No. - 08, Ward No. 01, Barwani, Madhya Pradesh, 451660 Farming	500		
3.	Subhash Chouhan S/o Jawansingh, House. No. 52, Teh. -Thikri, Khurampura Barwani, Madhya Pradesh, 451660 Farming	500		
4.	Dilip Yadav S/o Pandrinath, Vill. - Madrania, Maltar, Barwani, Madhya Pradesh, 451660 Farming	500		
5.	Ganesh Vaskle S/o Dhilu, Village- Rupkheda, Barwani, Madhya Pradesh, 451660 Farming	500		
6.	Omprakash S/o Babulal Yadav, Village- Bhagwanpura, Lahadgaon, Thikri, Barwani, Madhya Pradesh, 451660 Farming	500		
7.	Kailash S/o Dasrath, House. No. 41, Village- Hasankhedi, Barwani, Madhya Pradesh, 451660 Farming	500		
8.	Jasodabai Yadav W/o Nanuram Yadav, House. No. 01, Village- Segwal, Barwani, Madhya Pradesh, 451660 Farming	500		
9.	Gagan Kannoje S/o Champalal, House. No. 06, Panchayatpura Village- Kalapani, Post- Devla, Barwani, Madhya Pradesh, 451660 Farming	500		
10.	Yasvant Yadav S/o Pandri Yada, House. No.25, Near Ram Mandir, Village- Abhali, Barwani, Madhya Pradesh, 451660 Farming	500		

DATE: 25-11-22
PLACE: Thikri