

THE COMPANIES ACT, 1956
(Company Limited by Shares)
Memorandum of Association
Of
Assam Small Industries Development Corporation, Limited

1. The name of the Company is Assam Small Industries Development Corporation, Limited.
2. The Registered Office of the Company will be situated in the State of Assam.
3. The objects for which the company is established are:-
 - I. To promote, establish, undertake and execute industries, projects or enterprises for manufacture and production of plant, machinery, tools, implements, materials, substances, stores, goods or things of any description which in the opinion of the company are likely to promote or advance the industrial development of Assam.
 - II. To promote, establish and setup small industries in the State of Assam by the Company with a view to transfer any of such small industries ultimately to entrepreneur whether private companies or concerns or individuals who evince interest and keenness in setting up such small industries but who are handicapped for want of initial technical knowhow and capital on such terms and conditions as the Company may prescribe in this behalf.
 - III. To aid, assist, counsel and finance any industrial undertakings or enterprises whether owned or run by Government, statutory body, private company, firm or individual with capital, credit, means or resources and technical and managerial assistance for prosecution and promotion of their industry in all respects.
 - IV. To promote and establish companies, institutions and associations for the prosecution or execution of industrial undertaking and enterprises of any description whether it is a private or state-owned concern which in the opinion of the company would contribute to the industrial development of Assam and to acquire and dispose of shares and interest in such companies or association or institution in any other companies or association or institutions or the undertaking thereof.
 - V. To promote, establish and execute industries, projects or enterprises for manufacture and production of small plants, machinery, tools and implements, equipments and accessories, substances, stores, goods and production and working of materials of all kinds and the production, manufacture and preparation of any other materials which may be usefully or conveniently combined with the engineering or manufacturing business of the Company.
 - VI. To promote and operate schemes for small industries in the State of Assam and for that purpose to prepare and get prepared reports blue prints, statistics and other information.
 - VII. To procure capital and financial assistance or accommodation for or provide machinery, equipment, technical and managerial assistance, information, instruction, supervision and other facilities to any company, person, or associations for the purpose of carrying any of the objects.
 - VIII. To establish, promote, subsidies and assist in any other way, any company or companies or concern for the purpose of setting up any industry or running any industrial undertaking, acquiring any property or furthering any of the objects of the Company.
 - IX. To invest the capital of the Company in or to deal with shares, stock, bond and debentures, obligations and other securities of any company or association formed for establishing, executing or working of any industrial undertaking approved by the Company.

- X. To grant or guarantee loan or advances to any company, association, or concern engaged in any industry or to assist its development or expansion or to enable it to undertake and start new industry approved by the Company.
- XI. To acquire and undertake the whole or any part of the business, property and liabilities of any person of company carrying on any business which the company is authorized to carry on, or possessed of property suitable for the purpose of this Company.
- XII. To acquire and take over as a going concern the business now being carried on under the name and style of "Assam Government Cane and Bamboo Mill, Bamunimaidan, Gauhati," "Assam Government Shellac Factory Chaparmukh", "Assam Government Soap Factory, Kalapahar, Gauhati" and Industrial Estates established or to be established by the Government of Assam in different places of Assam together with all the assets, rights, privileges and liabilities in connection with the said factory and projects from the Government of Assam, if and when the Company deems fit.
- XIII. To consult and co-operate with the appropriate officers of Government having necessary powers in order to utilize the potential productive capacity of plants operated by small industrial concerns.
- XIV. To pay, all cost, charges and expenses incurred or sustained in or about promotion and establishment of the Company or which the Company shall consider to be in the nature of preliminary expenses including therein the cost of advertising, commissions for placing of assisting to place shares or debentures, brokerage, printing and stationery and expenses attendant upon the formation of agencies.
- XV. To draw, make, accept, endorse, discount, negotiate and execute and to buy, sell and deal in promissory notes, bills or exchange, bills of lading and other negotiable or transferable instruments.
- XVI. To receive grants, loans, advances or other moneys or deposit or other wise from State or Central Government, Banks, Trusts or Companies with or without allowances of interest thereon. The Company shall not carry on business of banking as defined by Banking Companies Act, 1949.
- XVII. To act as established importer for all sort of consumer goods that are hitherto being imported by private parties in Assam and elsewhere.
- XVIII. To act as actual users for importing electrical parts, capital goods and stores.
- XIX. To act as controlled stockiest and take over and manage, the Central Stores and Emporium (R.M.) which is at present managed by the Industrial Department, Government of Assam.
- XX. To act as Commission Agent, Handling Agent and Broker.
- XXI. To provide training facilities to desirous and deserving persons or workers in different trades and industry.
- XXII. To lend money to such person or companies and on such terms as may seem expedient, and in particulars to customers and others having dealings with the Company, and to guarantee the performance of contracts by any such persons or companies, provided that such lending shall not be for the purpose of banking business.
- XXIII. To establish, maintain, subscribe to or subsidize, or become member of training institutions, research laboratories research institutions and experimental workshops for scientific and technical research and experiments.
- XXIV. To install and work pilot, prototype of semi-scale units of full commercial plants to develop a particular invention or inventions.

- XXV. To act as agent for Government, other authorities or manufacturer, merchants and other and to transact and carry on agency business of very kind and of any description or to collaborate with any company or association formed or carrying on any manufacture or business within the objects of the Company.
- XXVI. To apply the assets of the Company in any way in or towards the establishment, maintenance or extension of any associations or concern or fund in any way connected with any particular trade or business with Scientific Research, Industry or Commerce.
- XXVII. To let out on lease or on hire, all or any of the property of the Company either immovable or movable including all and every description of apparatus or appliances.
- XXVIII. To collect rent from those parties to whom any property of the corporation is let out on hire.
- XXIX. To establish agencies in India and elsewhere and to regulate and discontinue the same.
4. The liability of the members is limited.
5. The Authorised Share-capital of the Company is Rs.700,00,000.00 (Seven crore) divided into 2,00,000 Equity shares of Rs.100 each with power to issue any of the shares in the capital, original or increased, with or.

(Vide Special Resolution No.3 of the 6th Annual General Meeting of the Company held in the Registered office of the Company on 31st October, 1968)

Name of Subscriber	Address and description of occupation, if any	Number of shares taken	Signature of subscriber	Signature and their description occupation	Witness Address, and
1.Governor Shillong of Assam acting through the secretary to the Government of Assam, Industries Department.	Assam	2999 Equity Shares			
2. Sri B.C. Dutta, ACS,	Dy. Secretary to the Government of Assam Finance Department, Assam, Shillong	1 Equity Shares			
		3000 Equity Shares			

Date:.....Days of1962.

THE COMPANIES ACT, 1956
(Company Limited by Shares)
Articles of Association
of
Assam Small Industries Development Corporation, Limited

In these Articles unless there be something in the subject or context inconsistent therewith.

- (a) 'The Act, means the Companies Act, 1956 (Act 1 of 1956) or any other Act in force relating to companies and affecting the company.
- (b) 'Board' means the Board of Directors for the time being of the Company.
- (c) 'Company' means the above named Company.
- (d) 'Corporation' includes Government as well as individuals.
- (e) 'The Chairman' means the Chairman of the Board of Directors for the time being of the Company.
- (f) The 'Directors' means the Director for the time being of the Company.
- (g) 'Dividend' includes Bonus
- (h) 'Executor' or 'Administrator' means a person who has obtained Probate or letter of Administration, as the case may be, from some competent court.
- (i) 'The Governor' means the Governor of Assam. All powers vested in the Governor and exercisable by him under these Articles shall be exercised by the Secretary to the Government of Assam Industries Department on his behalf.
- (j) 'Government' shall mean the Government of Assam.
- (k) 'The office' means the Registered office for the time being of the Company.
- (l) 'Ordinary Resolution' and 'Special Resolution' have the meaning assigned thereto respectively by Section 189 of the Companies Act.
- (m) 'The Register' means the Register to be kept pursuant to Section 150 of the Companies Act.
- (n) 'The Seal' means the common seal of the Company.
- (o) 'In writings' and 'written' includes printing, lithography and other modes of representing or reproducing words in a visible form.

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

2. The regulation contained in Table A in the First Schedule to the Act shall not apply to the Company, except so far as the same are repeated, contained or expressly made applicable by these Articles or by the Act.

3. The regulations for the management of the Company and for the observance of the members there of and their representative shall, subject as aforesaid and to any exercise of the statutory powers of the Company in reference to the repeal or alternation of or addition to its regulations by special resolution, as prescribed or permitted by the Act, be such as are contained in these Articles.

4. The Company is to be a private Company and accordingly:-

(a) The number of members for the time being of the Company exclusive of persons who are in the employment of the Company and persons who having been formerly in the employment of the company were members of the Company while in the employment and have continued to be members after the employment ceased shall not exceed fifty subject to the provision on the Act:

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

(b) Prohibits any invitation to public to subscribe for any share in or debenture, of the Company.

(c) Restricts the right to transfer its shares, if any.

Capital

5. The Authorised Share Capital of the Company is Rs. 7,00,00.00 (seven crore) divided into 7,00,000 Equity shares of Rs. 100/- each with power to issue any of the shares in the capital, original or increased with or

(Vide Special Resolution No. 3 of the 6th Annual General Meeting of the Company held in the Registered office of the Company on 31st October 1968)

6. The shares shall be under the control of the erectors, who may with the approval of the Governor in that behalf and subject to the provisions hereinafter contained, allot or dispose of the same to such persons on such terms and conditions and at such times as the Directors think fit and with full powers to any person, the call of any shares whether at per or a premium or (subject to the provisions of the Act), at a discount and for such time and for such consideration as the Directors think fit.

7. (i) All new shares (whether forming part of the original Capital or of any increased capital of the Company) shall be offered, in the first instance, to the members in proportion to the existing shares held by them (irrespective of class) and such offer shall be made by notice specifying the number of shares to which the member of entitled and limiting a time within which the offer, if not accepted, will be deemed to be declined, and after the expiration, of such time, or on receipt of an intimation from the member to whom such notice is given that he general to accept the shares may be issued or disposed of by the Company in general meeting in accordance with provision of sub clause (ii) below or by the Directors under their powers under Article 10.

(ii) Subject to the provision of sub-clause (i) above but without derogating from the powers for that purpose conferred on the Directors under Article 10, the Company in general meeting may determine that any shares (whether share forming part of the original capital or of any increased capital of Company) shall be offered to such person (whether a member or holder of debentures of the Company or not) the option to call for or be allotted shares of any class of the Company either at a premium) or at par or subject to compliance with the provisions of the Act, at a discount; such option being exercisable at such times and for such consideration as may be directed by such general meting or the Company in general meeting may make any other provisions whatsoever for the issue, allotment or disposal of any shares.

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

9. An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Article, and every person who thus or otherwise accepts any shares and whose name is on the register shall, for the purpose of these Articles, be a member.

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

11. If, by the condition of allotment of any share, the whole part of the amount or issue price thereof shall be payable by installment every such installment shall, when due, be paid to the company by the person who for the time being and from time to time shall be the registered holder of the share.

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

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

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

14. No part of the funds of the Company shall be employed in the purchase of or in loan upon the security of the shares of the Company.

15. The Company shall cause to be kept a register of members in accordance with the Act.

16. The register of members and the index of members shall be open to inspection of members without any payment and to inspection of any other persons on payment of Rupee one or such lesser sum as the Company may prescribed for each inspection. Any such members or person may take extracts there from.

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

Share Certificate

18. The certificate of title to shares shall be issued under the seal for the Company. It shall be a condition of issue of the share that the certificate of such shares shall be ready for delivery within three months of the allotments or within two months after the application for registration of the transfer of such shares, as the case may be, in such form as the Board shall prescribe or approve, specifying the share or shares held by him and the amount paid thereon.

19. Every member shall be entitled without payment to one certificate for all the shares registered in his name. In respect of a share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate for a share to one or several joint holders shall be sufficient delivery to all.

20. Every certificate of shares shall specify the number and denoting members of the shares in respect of which it is issued and the amount paid up thereon and shares and shall be signed by two Directors and the Secretary or some other person appointed by the Board.

21. If a share certificate is defaced, lost or destroyed, it may be renewed on payment of such fee, if any, not exceeding fifty paise and on such terms, if any, as to evidence and indemnity in investigation evidence, as the Board think fit.

Calls on Shares

22. The Board may, from time to time, make such calls as they think fit upon the members in respect of all moneys unpaid on the shares held by them respectively and not by the conditions of allotment thereof made payable at fixed times and each member shall pay the amount of every call so made on him to the persons at the time and places appointed by the Directors. A call may be made by installments.

23. The Board may, if they think fit, receive from any members willing to advance the same, all or any part of the moneys unpaid in respect of the shares held by him beyond the sums actually called for; and upon the money so paid in advance or so much thereof as from time to time exceed the amount of the call then made upon the shares in respect of which such advance has been made, the company may pay interest at such rate as the member paying such in advance and the Board agree upon or the Board may agree with such member that the member may participate in profits upon the amount so paid or satisfied in advance and the Board may at any time prepay the amount so advance upon giving to such member three months notice in writing.

24. Any money due from the Company to a share holder may, without the consent of such share holder, be applied by the Company in or towards payment of any money due from him to the Company for calls or otherwise.

Forfeiture, Surrender and Lien.

25. If a member fails to pay any call or installment of a call on or before the day appointed for the payment of the same, the Board may at any time thereafter during such time as the call or installment or any part thereof remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid together with any interest that may have accrued.

26. The notice shall name a day (not being less than 14 days from the date of the notice), on or before which the payment required by the notices is to be made. The notice shall also state that in the event of non-payment on or before the day so named the shares in respect of which the call was made will be liable to be forfeited.

27. If the requirements of any such notice as aforesaid are not complied with, any of the shares in respect of which such notice has been given may, at any time thereafter, before the payment required by the notice has been, be forfeited by a resolution of the Board to that effect.

28. When any share has been forfeited, an entry of the forfeiture with the date thereof shall be made in the register of members.

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

30. The Board may at any time before any share so forfeited or otherwise disposed of, annual the forfeited on such terms as they think fit.

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

32. (i) A duly verified declaration in writing that the declarant is a Director, the Managing Director, the Manager, or the Secretary of the Company, and that a share in the Company has been duly forfeited on a date stated as against claiming to be entitled to the share.

(ii) The Company may receive the consideration, if any, given share on any sale or disposal thereof any may execute a transfer of the share in favour of the person to whom the share is sold or disposed of.

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

(iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or in validity in the proceedings in reference to the forfeiture sale or disposal of the share.

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

Transfer and transmission of shares

34. The Company shall keep a book to be called the "Register of Transfer" and therein shall fairly and distinctly enter the particulars of every transfer or transmission of any share.

35. The instrument of transfer of any shares shall be in writing in the usual common form or in the following form or as near thereto as circumstances will admit.

Assam Small Industries Development Corporation Limited

I.....of in consideration of the sum of Rupees..... Paid to me by..... (hereinafter called 'the Transferee') do hereby transfer to the transferee the share (or shares) numbered.....to..... inclusive in the undertaking called theto hold unto the said Transferee his (or her) executors, administrators and assigns, subject to the several conditions of which I hold the same immediately before the execution thereof, and I, the Transferee, do hereby agree to take the said share (or shares) subject to the said conditions aforesaid. As witness our hands this..... day of.....19.

Witness to the signature of etc.'

The Directors may from time to time, alter or vary the form of such transfer.

36. Every such instrument of transfer shall be signed both by the transferor and transferee and the transferee and transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the register of members in respect thereof.

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

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

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

39. The Director shall have power on giving seven days' notice by advertisement as required by Section 154 of the Act to close register of members or of debenture holders of the Company for such period or periods of time not exceeding in the whole 45 days in each year but not exceeding 30 days at a time, as to them may seem fit.

40. The Company shall incur no liability or responsibility whatever in consequence of their registering or giving to any transfer of shares made or purporting to be made by any apparent legal owner hereof (as shown in the register of members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the company may have had notice of such equitable right title or interest or notice, prohibiting registration of such transfer, and may have entered such notice or referred there to in any book of the company and the Company shall not be bound or required to regard or attend or give effect to any notice which be given to them of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in the books of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Directors shall so think fit.

Increase, reduction and alternation of capital

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

42. Subject to the approval of the Governor in this behalf, new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the general meeting resolving up on the creation thereof shall direct and if no direction given as the Directors shall determine and in particular, such shares may be preference share provided that no shares (not being preference shares) shall be issued carrying voting right or rights in the Company as to dividend, capital or otherwise which are disproportionate to the right attaching to the holders of others (not being preference shares).

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

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

45. Subject to the provisions of Section 100-104 of the Act and to such directions as may be issued by the Governor in this behalf, the Company may, from time to time by special resolutions share capital (including the Capital redemption may pay off any paid-up share, capital upon the footing that it may be called up again or otherwise and may, if and so far as is necessary, alter its Memorandum by reducing the amounts of its share capital and of its shares accordingly.

46. Subject to the approval of the Governor, the Company may, in general meeting, alter the conditions of its Memorandum as follows: -

- (a) Consolidate and divide all and any of its share capital into shares of larger amounts than its existing shares.
- (b) Subdivide shares or any of them into shares of smaller amounts than originally fixed by the memorandum subject nevertheless to the provisions of the Act and of the Articles. The resolution by which any shares are subdivided may determine that as between the holders of the shares resulting from such subdivision, one or more of such shares may be given any preference or advantages or otherwise over the others or any other such shares.
- (c) Cancel shares which at the date of such general meeting have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.
Modification of class right.

47. If, at any time, the capital, of the Company, by reason of the issue of preference shares otherwise, is divided into different classes of shares all or any of the rights and privileges attached to each class may, subject to the provisions of Section: 06 and 107 of the Act be modified abrogated or dealt with by agreement between the Company and any person purporting to contract on behalf of that class, provided such agreement is (a) ratified in writing by the holders of at least three-fourths of the normal value of the issued shares of that class or (b) confined by special resolution passed at a separate general meeting supported by votes of at least three-fourth of the holders of shares of that class, and all the provisions hereinafter contained as to general meeting shall *mutatis mutandis*, apply to every such meeting, except that the quorum thereof shall be members of holding or representing by proxy one-fifth of the nominal amount of the issued shares of that class.

Borrowing Powers

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

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

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

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

52. Subject to the approval to the Governor, and subject to section 79 and 117 of the Act, any bonds, debentures, debenture stock or other securities may be issued, at a discount, premium or other wise and with any special privileges as to redemption, surrender, drawing and allotment of shares.

53. If any uncalled capital of the Company is included in or charged by any mortgage or other security, the Directors may, by instrument under the seal, authorize the person in whose favor such mortgage or security is executed or any other person in trust for him to make calls on the members in respect of such uncalled capital and the provision herein before contained in regard to calls shall *mutatis mutandis*, apply to calls made under such authority may be made exercisable either conditionally or unconditionally and either

presently or contingently and either to the exclusive of the Directors power or otherwise and shall be assignable, if expressed to be.

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

55. The Directors shall cause a proper register to be kept in accordance with the provisions of section 143 of the Act of all mortgage, debenture and charges specifically affecting the property of the Company and shall cause the requirements of section 124-144 of the said Act, in that behalf to be duly complied with.

Convening General Meeting

56. The first annual meeting of the Company shall be held within 18 month of its incorporation. The next annual general meeting shall be held within (six) month after expiry of the financial year in which the first annual general meeting was held and thereafter the annual general meeting shall be held within (six) months after the expiry of each financial year. Except in the case when for any special reason time for holding any annual general meeting not being the first annual general meeting is extended by the Register under Section 166 of the Act, no greater interval than 15 months shall be allowed to elapse between the date of one annual general meeting and that of the next. Every annual general meeting shall be held during business hours on a day other than a public holiday either at the registered office of the Company or at some other place within the city, town or village in which the registered office of the Company or at some other place within the city, town or village in which the registered office of the Company is situated and the notice calling the meeting shall specify at the annual general meeting shall be called 'ordinary general meeting'.

57. The Directors shall prepare the annual list of members and summary and forward the same to the Register of Companies in accordance with Section 159 and 161 of the Act.

58. The Directors may call an extraordinary meeting whenever they think fit.

59. Subject to the provisions of section 169 of Act-

- (i) The Directors shall, on the requisition of the holder of not less than one-tenth of the paid up capital of the Company upon which all calls or others sums then due have been paid, forthwith proceed to call an extraordinary general meeting of the Company.
- (ii) The requisition must state the object of the meeting and must be signed by the requisitionists and deposited at the registered office of the Company and may consist of several documents in like form each signed by one or more requisitionists. In case of joint holders of shares, all such holders shall sign the requisitions.
- (iii) If the Directors do not proceed within the 21 days from the date of the requisition being so deposited to cause a meeting to be called, the requisitionists or a majority of them in value may themselves call the meeting but in either case any meeting so called shall be held within three months from the date of the deposit of the requisition.
- (iv) Any meeting called under this Article by the requisitionists shall be called in the same manner as nearly possible as that in which meeting are to be called by the Directors.
- (v) Any reasonable expenses incurred by the requisitionists by reason of the failure of the Directors duly to convene a meeting shall be repaid to the requisitionist by the Company and any sum so repaid should be retained by the Company out of any sums due or become due from the Company by way of fees or other remuneration for services to such of the Directors as were in default.

- (iv) Any meeting called under this Article by the requisitionists shall be called in the same manner as nearly possible as that in which meetings are to be called by the Directors.
- (vi) Any reasonable expenses incurred by the requisitionists by reason of the failure of the Directors duly to convene a meeting shall be repaid to the requisitionists by the Company and any sum so repaid should be retained by the Company out of any sums due or become due from the Company by way of fees or other remuneration for services to such of the Directors as were in default.
60. Twenty-one days' notice at least of every general meeting, annual or extraordinary and by whomsoever called specifying the date, hour and place of the meeting and with a statement of the business to be transacted at the meeting (and in case it is proposed to a special resolution, the intention to propose such resolution) shall be given to the persons entitled under and in the manner provided by Act and these Articles.
61. Subject to the provisions of section 171 (2) of the Act, a general meeting may be convened by shorter notice than 21 days.
62. The accidental omission to give notice to or the non-receipt thereof by any member shall not invalidate any resolution passed at any such meeting.
63. Two members present in person shall be a quorum for a general meeting.
64. The business of an annual general meeting shall be to receive and consider the profit and loss account, the balance sheet, and the report of the directors transacted at an extraordinary meeting, shall be deemed special.
65. (i) The governor, so long as he is a share holder of the Company may from time to time appoint one or more persons (who need not be members of the Company) to represent him at all or any meeting of the Company.
- (ii) Any one of the persons appointed under sub-article (i) of this Article who is personally present at the meeting shall be deemed to be entitled to represent the Governor at all or any such meetings and to vote on his behalf whether on a show of hands or on a poll.
- (iii) The Governor may, from time to time, cancel any appointment made under sub-article (i) of this Article and make fresh appointments.
- (iv) The production at the meeting of an order of the Governor evidenced as provided in the Constitution of the Company shall be accepted by the Company as sufficient evidence of any such appointment or cancellation as aforesaid.
- (v) Any person appointed by the Governor under this Article may, if so authorized by such order, appoint a proxy whether specially or generally.
66. No business shall be discussed at any general meeting except the election of a Chairman whilst the chair is vacant.
67. The Chairman or the Directors shall be entitled to take the chair at every general meeting. If there be no Chairman or if at any meeting he is not present within 15 minutes after the time appointed for holding such meeting or is unable to be present due to illness or any other cause or is unwilling to act, the Deputy Chairman, if any, shall preside at the meeting. If there is no Deputy Chairman, or if at any meeting he is not present or is unwilling to act as Chairman, then the Directors present may choose a Chairman and in default of their doing so, the members present shall choose one of the Directors to be Chairman and if no Directors present be willing to take the chair, the members present shall choose some one of their members to be Chairman of the meeting.

68. If, within fifteen minutes after the time appointed or the holding of a general meeting, a quorum be not present, the meeting if convened on the requisition of share-holders shall be dissolved and in every other case shall stand adjourned to the same day in the next week at the same time and place or to such other day time and place as the Directors may, by notice to the share-holders, appoint. If at such adjourned meeting a quorum be not present those members present shall be a quorum and may transact the business for which the meeting was called.
69. The Chairman, with the consent of the meeting, may adjourn any meeting from time to time and from place to place.
70. No business shall be transacted at any adjourned meeting other than those business which might have been transacted at the meeting which was adjourned.
71. At any general meeting, a resolution put to the vote of the meeting shall be decided on a show of hands, unless a poll is (before or on the declaration of the result of the show of hands) demanded by a member present in person or proxy or by duly authorized representative, and unless a poll is so demanded, a declaration by the Chairman that a resolution has, on a show of hands, been carried or carried unanimously or by a particular majority or lost, and an entry to that effect in the book of proceedings of the Company, shall be conclusive evidence of the, fact, without proof of the number or proportion of the vote recorded in favor of or against that resolution.
72. If a poll is demanded as aforesaid it shall be taken in such manner and at such time and place as the Chairman of the meeting shall direct and either at once or after an interval or adjournment, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand of a poll may be withdrawn.
73. In the case of an equality of votes whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands take place or at which the poll is demanded, shall be entitled to a casting vote in addition to his own vote to which he may be entitled as a member.
74. Any poll duly demanded on the election of a Chairman of a meeting or on any question of adjournment shall be taken at the meeting and without adjournment.
75. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.
76. Minutes shall be made in books provided for the purpose of all resolutions and proceedings at general meeting and any such minutes if signed by any person purporting to have been the Chairman of the meeting to which it relates or by the person who shall preside as chairman at the next succeeding meeting shall be receivable as evidence of the facts therein stated without further proof.
77. The books containing minutes of proceeding of general meeting of the Company shall be kept at the registered office of the Company and shall during business hours (subject to such reasonable restrictions as the Company in general meeting may from time to time impose so that not less than two hours in each day be allowed for inspection) be open to the inspection of any member without charge.
78. Any member shall, at any time after seven days from the meeting, be entitled to be furnished within seven days after he has made a request in that behalf to the company, with a copy of any minutes referred to above at a charge not exceeding thirty seven paise for every 100 words.
Votes of Members
79. Upon a show of hands, every member entitled to vote and present in person shall have one vote and upon a poll every member entitled to vote and present in person or by attorney or by proxy shall have one vote for every share held by him.
80. Any member who is a company present by representative duly authorized by a resolution of the Director of such company, in accordance with the provisions of Section 187 of the act, may vote on a show of hands as if he was a member of the Company. The production at the meeting of the copy of such

resolution duly signed by one Director of such company and certified by him as being a true copy of the resolution shall at the meeting be accepted by the Company as sufficient evidence of the validity of this appointment.

81. Subject to the provisions of the Act, no member shall be entitled to be present or to vote at any general meeting either personally or by proxy or attorney for any other member or be reckoned in a quorum whilst any call or other sum shall be overdue and payable to the Company in respect of any of the shares of such member for more than one month.
82. A member entitled to attend and vote at a meeting may appoint another person (whether a member or not) as his proxy to attend a meeting and vote on a poll. No member shall appoint more than one proxy to attend on the same occasion.
83. A proxy shall not be entitled to speak or to vote except on a poll.
84. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney or if such appointer is a company or corporation under its common seal or under hand of a person duly authorized by such company or corporation in that behalf, or under the hand of its attorney who may be the appointer.
85. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall valid after the expiration of 12 months from the date of its execution, except in the case of the adjournment of any meeting first held previously to the expiration of such time. An attorney shall not be entitled to vote unless the power of attorney or other instrument appointing him has either been registered in the records of the company at any time not less than 48 hours before the time for holding the meeting at which the attorney proposes to vote or its deposited at office of the Company not less than 24 hours before the time fixed for such meeting as aforesaid. Notwithstanding that a power of attorney or other authority has been registered in the records of the Company, the Company may by notice in writing addressed to the member or the attorney require him to produce the original power of attorney or authority and unless the same is thereupon deposited with the Company, the attorney shall not be entitled to vote at such meeting unless the Directors in their absolute discretion excuse such non-production and deposit.
86. If any such instrument of appointment be confined to the subject of appointing a proxy of substitute for voting at meeting of the Company it shall remain permanently or for such time as the Directors may determine, in custody of the Company and if embracing other objects a Copy thereof, examined with the original, shall be delivered to the Company to remain in the custody of the Company.
87. Every instrument of proxy for a specified meeting or otherwise shall as nearly as circumstances will admit, be in the form or to effect following

Assam Small Industries Development Corporation, Limited

I _____ member of the Assam Small Industries Development Corporation Limited, do hereby appoint

of

(or failing him)

of

as my proxy to attend and vote for me and on my behalf at the annual extraordinary general meeting of the Company to be held on

the _____ day of _____ 19____ and at any
Adjournment thereof _____ 19____

As witnessed may hand this

day of

Signed by the said

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

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

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

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

DIRECTORS

92. The Board of Directors of the Company shall consist of not less than five and not more than eleven Directors.

The First Directors of the Company shall be:-

- (1) Shri B.S. Sarao, I.A.S. Secretary to the Government of Assam Industries Department.
- (2) Shri A.D. Adhikari, Director of Industries, Assam.
- (3) Shri K.K. Phukan, I.A.S. Register of Co-operative Societies, Assam.
- (4) Shri Jadav Prosad Chaliha, Karangani Tea Estate, P.O. Tingkhong, Assam.
- (5) Shri K.P. Barooah, Managing Director, Assam Financial Corporation Limited, Shillong.
- (6) Shri Robin Kakoti, Dr. B. Barooah Road, Gauhati.
- (7) Shri Stanley Nichols Roy, Goalpatty, Shillong.
- (8) Shri Dharendra Mohan Dev, Advocate, Silchar.

All the subsequent Directors shall unless otherwise determined by the Governor of Assam from time to time, be appointed by the Governor. The Governor shall have the power to remove any Director from office at any time and in his absolute discretions and in the event of such removal or in the event of any vacancy in the office of the Directors caused by registration, death or otherwise the Governor shall have the right to fill any such vacancy.

93. the remuneration of the Director shall from time to time be determined by the Governor may be paid to any one or more of the Directors for extra or special services rendered by hi or them or otherwise subject to the provision of Section 314 of the Company's Act. 1956.

94. The Directors shall not be required to hold any qualification shares.

Alternate Directors

95. Subject to the approval of the Governor, the Board of Directors of the Company may appointment and Alternate Director to act for Director, (hereinafter in this Article, called "Original Director") during his absence for a period of not less than three months from the State in which the meeting of the Board are ordinarily held and such appointment shall have the effect, and such appointee while he holds office as an Alternate Director shall be entitled to notice of meeting of the Directors and to attend and to vote threat accordingly; but he shall not require any qualification and he shall *ipso facto* vacate office if any when the Original Director returns to the State in which the meetings are ordinarily held or vacates office as a Director. If the terms of the office of the Original Director is determined before he so returns to the State aforesaid, any provision for the automatic re-appointment of the retiring Director in default of another appointment shall apply to the Original and not to the Alternate Director.

Powers and duties of the Board of Directors

96. *General Power of Company vested in Directors:* - The business of the Company shall be managed by the Board, who may pay expenses incurred in setting up and registering the Company, and may exercise all such powers of the Company, as are not, by the Act, or any statutory modification thereof for the time being in force or by these Articles, required to be exercised by the company in general meetings, subject nevertheless to the provisions of these Articles, to the provisions of the said Act, and to such regulation being not inconsistent with the provisions of the said Act, and to such regulation being not inconsistent with the aforesaid provisions, as may be prescribed by the Company in general meeting but no regulation made by the Company in general meeting shall invalidate any previous act of the Directors which would have been valid if that regulating had not been made.

97. The Board of Directors may, as and when they think fit, make any bye laws not inconsistent with the subjects of the Company as set out in the Memorandum of Association not with these Articles for the conduct and regulation for the business of the Company and its Directors and its officers and servants or may in like manner, vary and repeal and such bye-laws.

Specific Powers of Director

98. Without prejudice to the general powers conferred by the last preceding Article, and the other powers conferred by these Articles, the Directors shall have the following powers, that is to say:-

(i) *To acquire property:-* To purchase, take on lease or otherwise acquire for the company property rights, privileges which the Company is authorized to acquire such price, and generally on such terms and conditions as they think fit, provided that prior approval of the Governor shall be taken for all such transaction involving expenditure exceeding Rs. 10 lakhs.

(II) *To undertake and execute works of capital nature:-* To authorized the undertaking of works of a capital nature, subject to the condition that all cases involving a capital expenditure exceeding Rs. 10,00,000 (Ten lakhs) shall be referred to the Governor for his approval before authorization.

(III) *To pay property in debenture, etc.-* To pay for any property rights or privileges by, or services rendered to the Company either wholly or partially in cash or in shares, bonds, debentures or other securities of the Company, and any such shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon, any such bond debentures of other securities may be either specially charged upon all or any part of the property of the Company and its uncalled capital or not so charged.

(IV) *To Secure contracts by mortgage:-* Subject to the provision of section 292 of the Act to secure the fulfillment of any contracts or engagement entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such other manner as they may think fit.

(v) *To appoint officers, etc, :-* To appoint and at their discretion, remove or suspend managers, secretaries, officers, clerk, agents and servants, for permanent, temporary or special services as they may, from time to time, think fit and to determine their powers and duties and fix their salaries or emoluments and to require security in such instances the maximum pay of which as Rs. 1,500 or more per menses shall be created, nor any person appointed to it, without the prior approval of the Governor.

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

(VII) *To bring and defend action, etc.* To institute, conduct, defend, compound or abandon any legal proceeding by or against the company or its officers and allow time for payment or satisfaction of any claims or demands by or against the company.

(VIII) *To refer to arbitration:* To refer any claims or demands by or against the company to arbitration and observe and perform the awards.

(IX) *To give receipts:* To make and give receipt, releases and other discharges for money payable to the Company, and for the claims and demands of the Company.

(X) *To authorise acceptance, etc.* To determine who shall be entitled to sign on the company's behalf, bill, note, receipts, acceptances, endorsement, cheques, release contract and documents.

(XI) *To appoint attorneys:* From time to time and any at any time to appoint any person to be the attorney or agent of the company with such powers (including power to sub-delegate and upon such terms as may be thought fit).

(XII) *To invest money:* Subject to the provisions of section 292 of the act to invest to the Reserve Bank of India or in use securities as may be approved by the Governor and deal with any of moneys of the company upon such investments authorized by the Memorandum of Association of the company (not being shares in the company) and in such manner as they think fit and from time to time to vary or realize such investment.

(XIII) *To give security by way of indemnity:* To execute in the named and on behalf of the company in favor of any incur or other person who may incur or be about to incur any personal liability for the benefit of the Company such mortgagees of the Company's property (Present and future) as they think fit and any such mortgage may contain a power of sale and such other powers, covenants and provisions as shall be agreed on.

(XIV) *To give percentage:* Subject to the approval of the Governor, to give to any person employed by the Company a commission of the profits of any particular business transaction, or share in the general profits of the Company, and such commission or share of profits shall be treated as part of the working expenses of the Company.

(XV) *To give bonus:* To give award or allow any bonus, pension, gratuity or compensation to any employee of the Company or his widow, children, or dependents, that may appear to the Director just or proper, whether such employee, his widow children or dependents have or have not a legal claim upon the Company.

(XVI) *To create provident funds:* Before declaring any dividend and subject to the approval of the Governor to set aside such portion of the profits of the Company as they think fit, to form a fund to provide for such pensions, gratuities or compensation or to create any provident or benefit fund in such in such manner as the Directors may deem fit.

(XVII) *To establish Local Boards:* From time to time and at any time to establish any Local Board for managing any of the affairs of the Company in any specified locality in India, or out of India, and to appoint any persons to be members of such Local Board and to fix their remuneration and from time to time and any time to time to delegate to any person so appointed any of the powers, authorities and discretion for the time being vested in the Director other than their power to make call, and to authorize the members for the time being of any such local board or any of them to fill up any vacancies there in and to act notwithstanding vacancies and any such appointment or delegation may be made in such terms and subject to such condition as the Directors may think fit and the Directors may at any time remove any persons so appointed and may annual or vary any such delegation.

(XVIII) *To make contracts, etc.* To enter into all such negotiations such and contracts and reseind and very all such contracts and execute and to all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient for or in relation to any of the matters aforesaid or otherwise for purpose the Company; and

(XIX) *To delegate and sub-delegate power.* Subject to provision of section 292 of the Act to delegated all or any of the powers authorities and discretion for the time being vested in them, subject however, to the ultimate control and authority being retained by them.

99. The Governor may from time to time appoint one of the Directors of the Board as Managing Director of the Company.

100. The Governor may from time to time entrust to and confer upon the Managing Director or General Manager or Financial Adviser and/or Secretaries or Chief Accounts Officers for the time being such of the powers execrable under these Articles by the Directors as he may think fit and may confer such power for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such restriction as he may think expedient and may from time to time revoke, withdraw, alter or vary or any of such powers.

101. The Directors shall duly comply with the provisions of the Act, or any statutory modification thereof for the time being in force, and in particular with the provisions in regard to the registration of the particulars of moorages and charges affecting the property of the Company or created by it, and to keeping a register of the Directors, and to sending to the register an annual list of members, and a summery of particulars relating thereof and notice of any consolidation or increase of share capital or conversion of share into stock, and copies of special resolutions and a copy of the register of Directors and notifications of any changes therein.

102. The Directors shall cause minutes to be made in book, provided for the purpose:-

- (a) Of all appointments of officers made by the Governor;
- (b) Of all appointments of officers made by the Directors;
- (c) Of the names of the Directors present at each meeting of the Directors and of any Committees of the Directors;
- (d) Of all resolution and proceeding at all meeting of the Company and, of Committees of Directors, and every Directors present at any meeting of Directors shall sign his name in a book to be kept for that purpose; and
- (e) In the case of each resolution passed at the meeting, the names of the Directors, if any, descending from or not concurring in the resolution.

Disqualification of Directors

103. The Officers of a Director shall be vacated if:-

- (a) he is found to be of unsound mind by a Court of competent jurisdiction and the finding is in force,
- (b) he application to be adjudicated as an insolvent and his application is pending;
- (c) he is an undercharged insolvent;
- (d) he is convicted by a Court in India of any offence involving moral turpitude;
- (e) he or any firm in which he is a partner, or any private Company in general meeting, accepts or holds any office of profit under the Company other that of a Managing Director or Manager or a legal or technical adviser or a banker;
- (f) he absents himself from three consecutive meetings of the Board of Directors, or from all meeting of the Board for a continuous period of three months which ever is longer, without obtaining leave of absence from the Board:-
- (g) he or any firm in which he is a partner or any private Company of which he is a Director, accepts a loan or any guarantee or security for a loan, from the Company in contravention of Section 295 of the Act;
- (h) he acts is contravention of Section 299 of the Act;
- (i) he becomes disqualification by an order of Court under Section 203 of the Act; or
- (j) he is removed in pursuance of Section 284 of the Act.

Proceeding of the Board of Directors:

104. The Board of Directors may meet for the dispatch of business, adjourn and otherwise regulate their meetings, as they think fit. Question arising at any meeting shall be decided by a majority of votes. In case of an equality of votes, the Chairman of the Board shall have a second or casting vote. A Director may, and the Secretary on the requisition of a Director shall, at any time summon a meeting of the Board of Directors.

105. Save as otherwise expressly provided in the Act, resolution in writing signed by all Directors or all the members of a Committee of Directors shall be as valid and effectual as it had been passed at meeting of the Board of Directors or Committee of Directors duly called and constituted.

106. The quorum for a meeting of the Board of Directors of the Company shall be one-third of its "Total strength" (as defined in clause (a) of sub-section (1) of Section 287 of the Act), any fraction contained in that one-third being rounded off as one or two Directors, whichever is higher; provided that where at any time, the number of "interested Directors" (as defined in clause (b) of sub-section (1) of section 287 of the Act) exceeds or is equal to two-third of the total strength the number of the remaining Directors that is to say, the number of Directors who are not interested shall be the quorum during such time.

107. The continuing Directors may Act notwithstanding any vacancy in the Board but if and so long as their number is reduced below the number fixed by or pursuant to these Articles as the necessary quorum of Directors, the continuing Directors may act for the purpose of summoning a general meeting of the Company but for no other purpose.

108. The Governor may, from time to time appoint a Chairman, and Vice-Chairman of the Board of Directors and determine the period for which either of them is to hold his respective office. If and whilst no such Chairman is appointed or if at any meeting the Chairman is not present within ten minutes after the time appointed for holding the same, the Vice-Chairman shall preside at any such meeting and if whilst no Vice-Chairman is also appointed, or if at any meeting the Vice-Chairman be also not present within ten minutes after the time appointed for holding the same the Directors present may choose one of their member to be the Chairman of the meeting.

109. The Board of Directors may, subject to the restriction laid down in Section 292 of the Act, delegate any of their powers to Committees consisting of such member or members of their body as they think fit; any Committee so formed shall in the exercise of the powers so delegated, conform to any regulation that may be imposed on them by the Board of Directors. The proceedings of such a committee shall be placed before the Board of Directors at its next meeting.

110. A Committee may elect a Chairman of its meeting; if no such Chairman is elected or if at any meeting the Chairman is not present within ten minutes after the time appointed for holding the same, the members present may choose one of their member to be the Chairman of the meeting.

111. A Committee may meet and adjourn as it may think proper, Questions arising at any meeting shall be determined by a majority of votes of the members present and in case of an equality of votes, the Chairman shall have a second or casting vote.

112. All acts done by any meeting of the Board of Directors or of the Committee of Director or by any person acting as a Director, shall not withstanding that it may be afterwards discovered that there was some defect in the appointment of any such Directors or persons acting as aforesaid or that they or any of them were disqualified, be as valid as if such, Director or such person had been duly appointed and was qualified to be Director.

113. The Chairman shall reserve for the approval of the Government any proposals or decisions of the Board of Directors in respect of any of the following matters, namely:-

- a) Increasing or reducing the issued capital of the company;
- b) Granting by the Company of a loan or the giving of a guarantee or any of other financial assistance to any one particular concern of an amount exceeding rupees twenty lakhs.
- c) Winding up of the Company

- d) Any other matter which in the opinion of the Chairman be of such importance as to be reserved for the approval of the Governor.
- e) Sale, lease or disposal otherwise of the whole or substantially whole of the undertaking of the Company, and
- f) Formation of a subsidiary Company.

No action shall be taken by the Company in respect of any proposal or decision of the Board of Directors reserved for the approval to the same has been obtained.

114. Notwithstanding anything contained in any the Article, the Governor may from time to time, issue such directives or instruction as he may think fit in regard to the finances and conduct of the business and affairs of the Company and the Board of Directors shall duly comply with and give effect to such directives of instructions.

115. The seal of the Company shall not be affixed to any instrument except by the authority of the Board of Directors and in the presence of a least one Director or of such other person as the Company or the Board of Directors may appoint for the purpose, and any such Directors or other authorized persons as a aforesaid shall sign every instrument to which the seal Interest out of Capital.

116. Where any shares are issued for the purpose of raising money to defray the expenses of the construction of any works or buildings, or the provisions of any plant, which cannot be made profitable for a lengthened period, the Company may pay interest on so much of that share capital as is for the time being paid up for the period and subject to the conditions and restrictions provided by Section 208 of the Act and may charge the same to capital as part of the cost of construction of the work or building or the provisions of plant.

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

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

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

120. The Company in general meeting may declare a dividend to be paid to the members according to their respective rights and interests in the profits and may fix the time for payment.

121. No larger dividends shall be declared than is recommended by the Directors but the Company in general meeting may declare a smaller dividend. No dividend shall be payable except out other profits of the year or any other undistributed profits, and no dividend shall carry interest as against the Company. The declaration for the Directors as to the amount of the net profits of the Company shall be conclusive.

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

123. The Directors may be retain the dividends payable upon shares in respect of which any person is under Article 37 here of entitled to transfer until such person becomes member in respect of shares or shall duly transfer the same.

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

125. A transfer of shares shall not possess the rights to any dividend declared thereon before the registration of the transfer.

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

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

128. Any general meeting declaring a dividend may make a call on each member shall not exceed the dividend payable at the same time as the dividend, the dividend may, if so arranged between the Company and the members, be set off against the call.

129. Any general meeting sanctioning or declaring a dividend in terms of these Articles may direct payment of such dividend wholly or in part, in any manner otherwise than in case and in particular, without prejudice to the generality of the foregoing, by the distribution of specified assets or property of the Company, paid up shares, debentures, debenture stock, bonds or other obligation of the Company, or in any one or more of such ways. The Directors shall give effect to such directions and where any difficulty arises in regard to the distribution they may settle the same as they think expedient and in particular may issue fractional certificates and may determine that cash payment shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties and may vest any such specific assets, shares, debentures, debentures stock, bonds or other obligation of the Company in trustees upon such terms for the persons entitled to the dividend as may seem expedient to the Directors. Where requisite, the Directors shall comply with Section 75 of the Act and the Directors may appoint and contract thereby required on behalf of the person entitled to the dividend and such appointment shall be effective.

130. The Board of Directors shall cause to be kept proper books of accounts with respect to (a) all sums of money received and expended by the Company and the matters in respect of which receipt and expenditure take place. (b) all sales and purchases of goods by the Company and (c) the assets, credits and liabilities of the Company. The books of accounts shall be kept at the registered office of the Company or such other place or places as the Directors think fit and be open to inspection by the Directors during business hours.

131. The Directors shall from time to time, determine whether and to what extent and at what time and place and under what conditions or regulations the accounts and books of the Company or any of them shall be open to the inspection of members not being Directors and no member (not being a Director) shall have any rights of inspecting any account or book or document of the Company except as conferred by law or authorized by the Directors or by the Company in general meeting.

132. The Directors shall at some date not later than 18 months after the incorporation of the Company and subsequently once at least in every calendar year, lay before the Company in general meeting a balance sheet and loss accounts, in the case of the first account since the incorporation of the Company and in any other case since the preceding account made up to a date earlier than the date of the meeting by more than six months.

133. The Director shall make out and attach to every balance sheet a report with respect to the state of the Company's affairs, the amount, if any, which they recommend should be paid by way of dividend and the amount, if any, which they propose to carry to the Reserve Fund, General Reserve or Reserve Account shown specifically in the balance sheet or to a Reserve Fund, General Reserve or Reserve Account to be shown specifically in a subsequent balance sheet. The report shall be signed by the Chairman of the Board of Directors on behalf of the Directors if authorized, shall be signed by such member of Directors as are required to sign the balance sheet and the profit and loss account under the provision of sub-section (1) and (2) of section 215 of the Act.

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

135. The Company shall send a copy of such balance sheet and the profit and loss account together with a copy of the Auditors' report to the registered address of every member of the Company at least 21 days before the meeting at which is to be laid before the members of the Company and a copy of the same shall be deposited at the registered office of the Company for the inspection of the members of the Company during a period of at least 21 days before that meeting.

136. After balance sheet and profit and loss account have been laid before the Company at general meeting, three copies of balance sheets certified to be true copies by the Company's auditors and the auditors' report in so far as it relates to the balance sheet shall be filed with the register together with the annual list of members and summary prepared in accordance with the requirement of the Act.

137. With regard to the accounts of the Company the Directors shall comply with the provision of Section 209-222 of the Act or any statutory modification there for the time being in force.

Audit

138. Once at least in every year the accounts of the Company shall be balanced and audited and the correctness of the profit and loss account and balance sheet ascertained by one or more Auditor or auditors as provided in the Act.

139. (a) That the auditor/auditors of the Company shall be appointed or/reappointed by the Central government on the advice of the Comptroller and Auditor-General of India and his their remuneration rights and duties shall be regulated by Section 224 to 223 of the Act.

(b) Comptroller and auditor General of India shall have the power:

(i) To direct the manner in which the Company accounts shall be audited to give such Auditor/Auditors instruction in regard to any matter relating to the performance of his/their functions.

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

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

(d) Any such comment upon or supplement to the audit shall be placed before the Annual General meeting of the Company at the same and manner as the audit report.

140. The Auditors of the Company shall be entitled to receive notice of and to attend any general meeting of the Company at which any accounts which have been examined or reported on by them are to be laid before the Company and may make any statement or explanation they desire with respect to the accounts.

141. Every account when audited and approved by a general meeting shall be conclusive except as regard any error discovered there in within three months after the approval thereof. Whenever any such error is discovered within that period, the account shall forth with be corrected and henceforth shall be conclusive.

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

Notice

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

ii) Where a notice is sent by post, the service of such notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the notice.

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

145. Notice of every general meeting shall be given in the same manner herein-before authorized, to (a) every member of the Company and also to (b) every person entitled to a share in consequence of the death or insolvency of a member who but for his death or insolvency would be entitled to receive notice of the meeting.

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

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

148. Any notice to be given by the Company shall be signed by such Director or Officer as the Directors may appoint and such signature may be printed or lithographed.

Indemnity and Responsibility

149. (i) Subject to the provision of section 201 of the Act, every Director, Managing Director, General Manager, Manager, Secretary and other officer or employee of the Company shall be indemnified by the funds of the Company against, and its shall be the duty of the Directors out of the funds of the Company to pay all costs, losses, dangers and expenses (including travelling expenses) which any such Director, Managing Director, General Manager, Manager, Secretary, officers or employee may incur or become liable to by reason of any contract entered into or act or thing done by him or them as such Directors, Managing Directors, General Manager, Manager, Secretary, officers or employee or in any other way in the discharge

of his duties and the amount for which such indemnity is provided shall immediately attach as a lien on the property of the Company and have priority as between the member over all other claims.

(ii) Subject as aforesaid every Director, Managing Director, General Manager, Manager, Secretary, Officer or (with the consent of the Directors) Auditor of the Company shall be indemnified against any liability incurred by him or them in defending any proceedings whether civil or criminal in which judgment is given in his or their favour or in which he or they are acquitted or in connection with any application under section 633 of the Act in which relief is given to him or them by the Court.

150. Subject to the provisions of Section 201 of the Act no Director, General Manager, Manager, Secretary or other officer of the Company shall be liable for the acts, receipts, neglects or defaults or any other Director or officer or for joining in any receipt or other act of conformity or of any loss or expenses happening to the Company through insufficiency or deficiency of any security in or upon which any of moneys of the Company shall be invested, or any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation, with whom any money securities or effects shall be entrusted or deposited or for any other loss occasioned by an error or judgement or oversight on his or their part, or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his or their office or, in relation thereto, unless the same happen through his own dishonesty, negligence or default.

Winding up

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

Name of Subscriber	Address and description of occupation, if any	Numbers of Shares taken	Signature of Subscriber	Signature of Witness and their Address description occupation
1	2	3	4	5
1. Governor of Assam through the secretary of the Government of Assam Industries Department	Shillong, Assam	2999 Equity Shares		
2. Shri B.C. Dutta, ACS		3000 Equity Shares		

Dated..... Day of196

“Certified to be a true copy of the Articles as amended by Special Resolution passed on 30-09-64.”

Sd/- (A.D.Adhikeri)
Managing Director
