

ARTICLES OF ASSOCIATION OF FOREST DEVELOPMENT CORPORATION OF MAHARASHTRA LIMITED.

I. INTERPRETATION

1. In these Articles unless there is anything repugnant to the subject or context the following words shall have the meaning set out against them :—

“The Act” or “the said Act” means The Companies Act, 1956 (I of 1956) or the Act or Acts for the time being in force concerning Joint Stock Companies and governing the Company.

“Board” means a meeting of the Directors duly called and constituted or as the case may be the Directors assembled at a Board.

“Capital” means the capital for the time being raised or authorised to be raised for the purposes of the Company.

“The Company” means the Forest Development Corporation of Maharashtra Limited.

“The Corporation” includes Government.

“Dividend” includes bonus.

“The Directors” means the Directors for the time being of the Company.

“The Executors” or “Administrator” means a person who has obtained Probate or Letters of Administration as the case may be from some competent Court.

“Financial year” means in relation to any body Corporate the period in respect of which any profit and loss Account of the Company is made up and is laid before it in an Annual General Meeting whether that period is a year or not.

“The Governor” means the Governor of Maharashtra.

“The Government” means the Government of Maharashtra.

“In writing” and “written” include printing, lithography and other modes representing or reproducing words in visible form.

“Member” means the duly registered holder from time to time of the shares of the Company.

“Month” means Calendar month.

“The Office” means the Registered Office for the time being of the Company.

“Persons” includes corporations and firms as well as individuals.

“Regulations of the Company” means the regulations for the time being in force for the management of the Company.

“The Register” means the Register of Members to be kept pursuant to the Act.

“Seal” means the Common Seal for the time being of the Company.

“Shares” means the shares or stock into which the Capital is divided and the interest corresponding with such share or stock.

Words importing the singular number include the plural number and *vice versa*.

Words importing the masculine gender also include the feminine gender.

Words importing persons include corporations.

Save as aforesaid words and expressions not specifically defined in these Articles shall except where the subject or context forbids have the same meaning as is assigned to them in the Act.

2. The Company shall be a private Company and accordingly :

(a) restricts the right to transfer its shares in manner hereinafter provided :

(b) limits the number of its members to fifty not including—

(i) persons who are in the employment of the Company, and

(ii) persons who, having been formerly in the employment of the Company, were members of the Company while in that employment and have continued to be members after the employment ceased ; and

(c) prohibits any invitation to the public to subscribe for any shares in, or debentures of the Company :

(d) prohibits any invitation or acceptance of deposits from persons other than its members, directors or their relatives.”

Company to
be a Private
Company.

Table A to apply 3. The Regulations contained in Table 'A' in the First Schedule to the Act except in so far as they are excluded, added to or modified by or under these Articles, are hereby adopted as the regulations for the management of the Company.

The following articles in Table 'A' are specifically excluded :—

Proviso to Article 13(1), Article 56, Article 65, Article 66, Article 76, Article 81 and Article 84.

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

CAPITAL

Capital and its division.

5. The authorised share capital of the Company is Rupees Three Hundred Thirty Crores divided into Three Crore Thirty Lakhs equity shares of Rupees One Hundred Each. The Company may increase its share capital by such amount as it may think expedient by issuing new shares in the manner prescribed by the Act.

Redeemable preference shares.

6. Subject to the provisions of section 80 of the Act, the Company shall have power to issue preference shares carrying a right of redemption or liable to be redeemed at the option of the Company, and the directors may, subject to the provisions of the Act and of these Articles exercise such power in any manner prescribed by the resolution of the Board of Directors authorising issue of such shares.

Provisions to apply on issue of redeemable preference shares.

7. On the issue of redeemable preference shares under the provisions of Article 6 hereof the following provisions shall take effect :—

(a) no such shares shall be redeemed except out of the profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purpose of the redemption ;

(b) no such shares shall be redeemed unless they are fully paid ;

(c) the premium, if any, payable on redemption must have been provided for out of the profits of the Company or the Company's Share Premium Account before the shares are redeemed ;

(d) where any such shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called the "Capital Redemption Reserved Account", a sum equal to the nominal amount of the shares redeemed and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in section 80 of the Act apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company.

The share capital may be divided into different classes of shares.

8. Subject to the provisions, if any, in that behalf, contained the Memorandum of Association of the Company and, without prejudice to any special rights previously conferred on the holders of existing shares in the company, any share in the Company may be issued with such preferred, deferred or other special rights, or such restrictions, whether in regard to dividend, voting, return of share capital or otherwise, as the Company may, from time to time, by a special resolution determine and any preference share may by a special resolution issued on the terms that it is redeemable at the option of the Company or otherwise.

Right to different classes of shares may be varied.

9. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may subject to the provisions of the Act and whether or not the Company being wound up, be varied with the consent in writing of the holders of not less than three-fourths of the issued shares of that class, or by a special resolution passed at a separate general meeting of the holders of the shares of the class. To every such separate general meeting the provisions of these regulations relating to general meetings shall *mutatis mutandis* apply, but the necessary quorum shall be (two persons) at least holding or representing by proxy one third of the issued shares of the class in question.

Company's shares not to be purchased.

10. No part of the funds of the Company shall be employed in the purchase of or in giving loans upon the security of the Company's shares.

Allotment of shares.

11. Subject to the provisions of the Act, and these Articles and to the directions of the Governor, the shares shall be under the control of the Board of Directors who may allot or otherwise dispose of the same to such person on such terms and conditions as it

may think fit and with full power to make calls on any shares whether at par or at 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.

12. Every person whose name is entered as a member in the register shall without share payment be entitled to a certificate under the Common Seal of the Company specifying the share or shares held by him and the amount paid thereon.

Provided that, 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 of several joint holders shall be sufficient delivery to all.

13. If the share certificate is defaced, lost or destroyed, it may be renewed on payment of such fee and on such terms if any, as to evidence and indemnity as the Board thinks fit.

Issue of new share certificates in place of one defaced, lost or destroyed.

14. The Company may at any time pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares, debentures or debenture stock of the Company or procuring or agreeing to procure subscriptions (whether absolute or conditional) for any shares, debentures or debenture stock of the Company: Provided that if the commission in respect of shares, is paid the statutory conditions and requirements shall be observed and complied with and the amount of rate of commission in case of shares shall not exceed 5 per cent of the price at which the shares are issued and in case of debentures 2½ per cent. of the price at which the debentures are issued. The Commission may be paid or satisfied in cash or in shares, debentures or debenture stock of the Company.

Commission for placing shares.

CALLS ON SHARES.

15. The Board may, from time to time, make calls upon the members in respect of any moneys unpaid on their shares and specify the time or times of payments, and each member shall pay to the Company at the time or times so specified the amount called on his shares:

Calls on shares.

Provided, however, that the Board may from time to time at its sole discretion, extend the time fixed for the payment of any call.

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

Joint holder liability to pay calls.

17. If the sum payable in respect of any call is not paid on or before the day appointed for payment thereof, the holder for the time being or allottee of the share in respect of which a call shall have been made, shall pay interest on the same at such rate as the Board may fix, from the day appointed for the payment thereof to the time of actual payment, but the Board may waive payment of such interest, wholly or in part.

When interest on call payable.

18. The Board may, if it thinks fit, receive from any member willing to advance the same, all or any part of the moneys due upon the shares held by him beyond the sums actually called for, and upon the moneys so paid in advance or so much thereof as from time to time exceed the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate not exceeding 6 per cent. per annum as the members paying such sum in advance and the Board agrees upon, and the Board may at any time, repay the amount so advanced upon giving to such member three months' notice in writing.

Payment in anticipation of calls may carry interest.

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

Trusts not to be recognised as share holders.

LIEN

20. (1) The Company shall have a first and paramount lien—

(a) on every share (not being a fully-paid share), for all moneys (whether presently payable or not) called or payable at a fixed time in respect of that share; and

(b) on all shares (not being fully-paid shares) standing registered in the name of a single person, for all moneys presently payable by him or his estate to the company;

Lien on shares for unpaid calls.

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Provided that the Board may at any time declare any share to be wholly or in part exempt from the provisions of this Article.

(2) The Company's lien, if any, on a share shall extend to all dividends payable thereon.

Enforcement
of lien by
sale.

21. The company may sell, in such manner the Board thinks fit, share on which the company has a lien.

(a) unless a sum in respect of which the lien exists is presently payable; or

(b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as it presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

Sale of
shares on
which
company has
lien.

22. (1) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.

(2) The purchaser shall be registered as the holder of the shares comprised in any such transfer.

(3) The purchaser shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

Application
of proceeds
of sale.

23. (1) The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.

(2) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

TRANSFER AND TRANSMISSION

Transfer
and
Transmission
of share.

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

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

(b) Subject as aforesaid, the Board may, in its absolute and uncontrolled discretion, refuse to register any transfer of shares without assigning any reason.

Notice of
refusal to
register
transfer.

25. If the Board refused to register the transfer of any share it shall, within two months of the date on which the instrument of transfer is delivered to the Company, send to the transferee and the transferor notice of the refusal.

Company
not bound to
recognise
any interest
in shares
other than
that of the
registered
holders.

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

Execution
of transfer.

27. The instrument of transfer of any share in the Company shall be executed both by the transferor and the transferee, in the form prescribed in that behalf and the transferor shall be deemed to remain holder of the share until the name of the transferee is entered in the Register of Members in respect thereof.

Form of
transfer.

28. Shares in the Company shall be transferred in the manner and form prescribed under the Rules made under section 108 of the Act.

Instrument
of transfer
to be left at
office and
evidence of
title to be
given.

29. Every instrument of transfer shall be left at the registered office of the Company for registration, accompanied by the certificate of the shares to be transferred, and such evidence as the Company may require to prove the title of the transferor, or his right to transfer the shares. All instruments of transfer shall be retained by the Company, but any instrument of transfer which the Board may decline to register shall, on demand, be returned to the person depositing the same.

Board's
right to
refuse
registration.

30. The Board shall have the same right to refuse to register a person entitled to the transfer by operation of law to any shares of his nominee, as if he were the transferee named in an ordinary transfer presented for registration.

Transmission
by operation
of law.

31. Nothing contained in Article 26 shall prejudice any power of the Board to register as share holder any person to whom the right to any shares in the Company has been transmitted by operation of law.

32. A fee not exceeding two rupees may be charged for each transfer and shall accompany the instrument of transfer at the time of its delivery for registration. **Fee on transfer.**

33. No shares shall in any circumstances, be transferred to any minor, insolvent or person of unsound mind. The Company shall incur no liability or responsibility whatever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register) to the prejudice of persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or required to regard or attend or give transfer and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do. **No transfer to minors, etc.**

34. The register of members or the register of debenture holders may be closed for any period or periods not exceeding in the aggregate 45 days in each year but not exceeding 30 days at any one time after giving not less than 7 days previous notice by advertisement in some newspapers circulating in the district in which the registered office of the Company is situate or in such other manner as the Board may deem fit. **When register of members or debenture holders may be closed.**

35. So far as concerns any share held by any person as a nominee of the Governor, on the Government requiring him to transfer any such share to the Governor or to any other person or persons nominated by the Governor or any such person becoming of unsound mind or being adjudicated as insolvent, or dying or on such person being a company, being wound up voluntarily or by the Court subject to the supervision of the Court, the following provisions shall take effect, namely:— **Transfer of shares held by Governor's nominee.**

(a) The Governor may at any time serve the Company with requisition to enforce the transfer of any such share.

(b) The Company shall thereupon forthwith give to the holder of such share, or where the holder has become of unsound mind, to his committee or other guardian, or where the holder has become or been adjudicated an insolvent, to the assignee of his estates and effects, or where the holder is dead, to his heirs or legal representatives, or where the holder being a company, has been wound up as aforesaid, to its liquidator, notice in writing of the requisition and unless within 14 days afterwards, the holder, or, as the case may be, the committee or guardian or assignee or heirs or legal representatives of such holder or the liquidator shall execute in favour of the Governor or any other person or persons nominated by the Governor a proper transfer in respect of such share and hand over the same along with the relative certificate in respect of such share to the Governor or any other person or persons nominated by the Governor in that behalf, may at any time thereafter execute a transfer in respect of such share and hand over the same along with the relative certificate in respect of such share to the Governor or any other person or persons nominated by him in that behalf, may, at any time, thereafter execute a transfer in respect of such share for and on behalf of such holder of his estate and the same shall be deemed to have been duly and properly executed for and on behalf of such holder of his estate, and thereupon the holder or his estate shall cease to have any interest whatsoever in such share and the certificate of such share, if not handed over as aforesaid, shall thereupon stand cancelled and be and become void and, of no effect and the Company shall be entitled thereafter to issue a new certificate in lieu thereof in favour of the Governor or of such person or persons as he may nominate.

FORFEITURE OF SHARES

36. If any member fails to pay any money due from him in respect of any call made or instalment due on any share, or any sum which by the terms of issue of any share becomes or is made payable at a fixed time, whether on account of the amount of the share, or by way of premium or otherwise, on or before the day appointed for the payment of the same, or any such extension thereof as aforesaid, or any interest due on such call or instalment, the Directors or any person authorised by them for that purpose, may at any time thereafter, during such time as such debt remains unpaid, give notice in writing to such member or if he be dead to the knowledge of the Company to any of his heirs, executors and administrators or personal representatives requiring him to pay the money in respect of such share, together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment. **Notice of forfeited shares.**

Terms of notice. 37. The notice shall name a day (not earlier than the expiration of fourteen days from the service of the notice) and a place or places, on or before and at which such call or instalment and such interest and expenses as aforesaid are to be paid and the notice shall also state that, in the event of the non-payment at or before the time and at the place appointed, the share in respect of which the call, instalment interest or expenses are due and owing will be liable to be forfeited.

In default of payment shares may be forfeited. 38. If the requisitions of any such notice as aforesaid shall not be complied with for any reason or on any account every and any share in respect of which the notice has been given may, at any time thereafter and before payment of all calls or instalments, interest and expenses due in respect thereof, be forfeited by a Resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.

Notice of forfeiture. 39. When any share shall have been so forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, or to anyone of his heirs, executors, administrators or personal representative in writing or by way of advertisement as the Board may deem fit and an entry of the forfeiture with the date thereof shall forthwith be made in the Register of Members. The provisions of the Article are however directory only and no forfeiture shall in any manner be invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.

Forfeited shares to become property of the Company and may be sold, etc. 40. Any share so forfeited shall be deemed to be the property of the Company, and the Board may sell, reallocate or otherwise dispose of the same either to the original holder or to any other person and either by public auction or by private sale, and upon such terms and in such manner as it shall think fit.

Effect of forfeiture. 41. The forfeiture of a share shall involve extinction, at the time of the forfeiture of all interest in and all claims and demands against the Company in respect of the share and all other rights incidental to the share, except only of those rights as by these presents are expressly saved.

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, but his liability shall cease if and when the Company received payment in full of the nominal value of the shares.

Declaration of forfeiture. 42. A duly verified declaration in writing that the Declarant is a director, the Manager or the Secretary of the Company, and that a particular share in the Company has been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to that share and that declaration, and the receipts of the Company for the consideration if any, given for the share on the sale or disposition, shall constitute a good title to the share and the person to whom the share is sold or disposed of shall be registered as the holder of the share and shall not be bound to see to the application of the purchase money (if any), nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, or disposal of the share.

Title to the forfeited shares. 43. 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 share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium as if the same had been payable by virtue of a call duly made and notified.

ALTERATION OF CAPITAL

Provisions regarding forfeiture to apply in case of non-payment of any sum. 44. Subject to the approval of the Governor, the Board may, with the sanction of the Company in general meeting, increase the share capital by such sum, to be divided into shares of such amount, as the resolution shall prescribe.

Power to increase capital. 45. Subject to such directions as may be issued by 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 upon the creation thereof shall direct, and if no direction be given, as the Board shall determine. Provided that no shares (not being preference shares) shall be issued carrying voting rights or rights in the Company as to dividend. Capital, or otherwise which are disproportionate to the rights attaching to the holders of other shares (not being preference shares).

45. 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 herein contained with reference to the payment of calls and instalments, transfer and transmission, lien, voting, surrender and otherwise.

How far
new shares
to rank with
shares in
original
capital.

47. Subject to any direction to the contrary that may be given by the resolution sanctioning the increase of share capital, all new shares shall, before issue, be offered to such persons as at the date of offer are entitled to receive notices from the Company of general meetings in proportion as nearly as the circumstances admit, to the amount of the existing shares to which they are entitled. The offer shall be made by notice specifying the number of shares offered, and limiting a time being not less than ten days from the date of the offer within which the offer, if not accepted, will be deemed to be declined, and after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares offered, the Directors may dispose of the same in such manner as they think most beneficial to the Company. The Directors may likewise so dispose of any new shares which by reasons of the ratio which the new shares bear to shares held by persons entitled to an offer of new shares cannot, in the opinion of the Directors, be conveniently offered under this Article.

New shares
to be offered
to members.

48. Subject to the approval of the Governor the Company may, by ordinary resolution :

Consolidation
or
Sub-division
of shares
capital.

(a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares ;

(b) by sub-division of its existing shares of any of them, divide the whole or any part of its share capital into shares of smaller amount than is fixed by the Memorandum of Association subject, nevertheless, to the provisions of the Act ;

(c) cancel any shares which, at the date of passing of the resolution have not been taken or agreed to be taken by any person.

49. If at any time, the capital, by reason of the issue of preference shares or 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 Sections 106 and 107 of the Act, be modified, abrogated or dealt with by agreement between the Company and by 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 nominal value of the issued shares of that class, or (b) confirmed by a resolution passed at a separate general meeting of the holders of shares of that class supported by the votes of at least 3/4 share-holders of these shares 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 holding or representing by proxy one-fifth of the nominal amount of the issued shares of that class. This Article is not by implication to curtail the power or modification which the Company would have if the Article were omitted.

Power to
modify.

50. Subject to the provisions of sections 100 to 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 Resolution reduce its capital in any manner and with and subject to any incident authorised and consent required by law for the time being and in particular without prejudice to the generality of the foregoing power by extinguishing or reducing the liability of any of its shares in respect of capital not paid up or either with or without so extinguishing or reducing by cancelling any paid up share capital which is lost or unrepresented by available assets or by paying off any paid up share capital which is in excess of the wants of the Company or otherwise as may deem expedient. The capital may be paid off on the footing that the same might be called up again. The paid up capital may be cancelled as aforesaid without reducing the nominal amount of the shares by the like amount to the intent that the paid up and callable capital shall be increased by the like amount. This Article is not to derogate from any power the Company would have if it were omitted.

Reserve
liability of
Company.

BORROWING POWERS

51. Subject to the provisions of Section 292 of the Act, the Board may, from time to time borrow or secure the payment of any sum or sums of money for the purpose of the Company.

Powers to
borrow.

Conditions on which money may be borrowed. 52. The Board may secure the repayment of moneys in such manner and upon such terms and conditions in all respects as it thinks fit and in particular, by the issue of bonds, perpetual or by creating any mortgage, redeemable debentures or debenture stock or charge or other security on the undertaking of the whole or any part of the property of the Company (both present and future) including its uncalled capital for the time being.

Securities may be assignable free from equities. 53. Debentures, debenture 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.

L.suc. 54. Subject to section 76 of the Act, any debentures, debenture stock, bonds or other securities may be issued at a discount, premium or otherwise and with any special privileges as to redemption, surrender, drawings, allotment of shares, appointment of Directors and otherwise.

Prior charges to prevail over subsequent charges. 55. Whether any uncalled capital of the Company is charged all persons taking any subsequent charge thereon shall take the same subject to such prior charge and shall not be entitled, by notice to the share-holders or otherwise, to obtain priority over such prior charge.

Indemnity may be given. 56. If the Directors or any of them or any person shall become personally liable for the payment of any sum primarily due from the Company, the Directors may execute or caused 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 or such liability.

GENERAL MEETINGS

General meetings. 57. The Company shall in each year hold in addition to any other meeting a general meeting, as its Annual General Meeting and shall specify the meeting as such in the notice calling it; and not more than fifteen months shall elapse between the date of one Annual General Meeting of the Company and that of the next. The first annual general meeting of the Company shall be held within eighteen months from the date of its incorporation and hereinafter subject to the provisions of section 166 of the Act, the annual general meeting of the Company shall be held within six months after the expiry of each financial year. 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 is situate.

Extraordinary. 58. The above-mentioned General Meetings shall be called Annual General Meetings. All other General Meetings shall be called "Extraordinary Meetings".

Board to call Extraordinary Meetings. 59. The Board may call an Extraordinary Meetings whenever it thinks fit.

Extraordinary Meetings on requisition. 60. The Board shall call an Extraordinary Meeting whenever a requisition in writing is received in accordance with section 169 of the Act.

When requisitionists can hold extraordinary meeting. 61. If the Board does not proceed to call a meeting within 21 days from the date of requisition being so deposited, to be held not later than 45 days from the date of such deposit, then the requisitionists or the majority of them in value, or as permitted by sub-clause (b) of sub-section (6) of section 169 of the Act may themselves call the meeting, but any meeting so called shall not be held after 3 months from the date of such deposit. Any meeting convened under this Article by the requisitionists shall be convened in the same manner as far as possible as that in which meetings are to be convened by the Board.

Notice of meeting. 62. Seven days notice at least specifying the place, the day and the hour of the meeting and in the case of special business, the general nature of such business accompanied by an Explanatory Statement under section 173 of the Act shall be given in the manner hereinafter mentioned and as required by section 172 of the Act to such members as are entitled in law to receive notice from the Company :

Provided that accidental omission to give such notice to, or the non-receipt of such notice by any such members shall not invalidate any resolution passed or proceeding at any such meeting :

Provided further that a shorter notice may be given if consent is accorded thereto in accordance with section 171 of the Act.

63. Two members present in person of whom one shall be a representative of the Governor shall be a quorum for a general meeting.

64. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon such requisition as aforesaid, shall be dissolved; but in any other case it shall stand adjourned to the same day in the next week at the same time and place and if at such adjourned meeting quorum is not present those members who are present shall be a quorum and may transact the business for which the meeting was called.

When quorum is not present meeting to be dissolved and when to be adjourned.

65. (i) The Governor, so long as he is a shareholder of the Company, may from time to time, appoint one or more persons (who need not be a member or members of the Company) to represent him at all or any meetings of the Company.

The right of Government to appoint any person as its representative.

(ii) A person appointed under sub-clause (i) of this Article shall, for the purposes of the meeting be deemed to be a member of the Company and shall be entitled to exercise the same rights and powers (including the rights to vote by proxy) as the Governor could exercise as a Member of the Company.

(iii) The Governor may, from time to time, cancel any appointment made under sub-clause (i) of this Article and make fresh appointment.

(iv) The production at the meeting of an order of the Government 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 appoint a proxy whether specially or generally.

BUSINESS OF MEETINGS

66. 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 Board and of the Auditors, to declare dividends and to transact any other business which under these Articles ought to be transacted at an Annual General Meeting. All other business transacted at such meeting and all business transacted at an Extraordinary Meeting shall be deemed special. All business at Annual General Meeting shall be transacted in accordance with section 173 of the Act.

Business of ordinary meeting.

67. The Chairman of the Board or in his absence the Vice-Chairman shall be entitled to take the chair at every general meeting. If at any meeting both the Chairman and the Vice-Chairman are not present within half an hour after the time appointed for holding such meeting or if they are present but none of them is willing to act as Chairman, the members present shall choose another Director as Chairman, and if no Director shall be present, or if all the Directors present decline to take the Chair, then the members present shall choose one of their members to be Chairman of the meeting.

Chairman of the General Meeting.

68. The Chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for one month or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save, as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

Power to adjourn general meeting.

69. Every question submitted to a meeting shall be decided in the first instance by a show of hands and in the case of an equality of votes the Chairman shall both on a show of hands and at a poll (if any) have a casting vote in addition to the vote or votes to which he may be entitled as a member.

How questions to be decided in the meeting.

70. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless before or on the declaration of the result of the show of hands, a poll is demanded by a member present in person or proxy or by duly authorised 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, 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 favour of or against that resolution.

What is to be done in evidence of passing of a resolution where poll not demanded.

POLL

Poll. 71. If a poll is duly demanded, it shall be taken in such manner and at such time and place as the Chairman of the meeting directs, and either at once, or after an interval or adjournment or otherwise 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.

In what cases poll to be taken forthwith. 72. A poll demanded on the election of a Chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time as the Chairman of the meeting directs.

Business may proceed notwithstanding demand of poll. 73. The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.

Chairman's decision conclusive. 74. The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be the judge of the validity of every vote tendered at such poll.

VOTES OF MEMBERS

Vote by proxy. 75. Subject to the provisions of these Articles votes may be given either personally or by proxy or by duly authorised representative.

Number of votes to which members entitled. 76. On a show of hands every member present in person shall have one vote and upon a poll every member present in person or by proxy shall have one vote for every share held by him either alone or jointly with any other person or persons. Provided, however, if any preference share holder be present at any meeting of the Company, he shall have a right to vote only on resolutions placed before the meeting which directly affect the rights attached to his preference share. The preference share holders may vote on the resolution only in the circumstances provided under section 87 (2) of the Act.

Votes in respect of shares of the deceased and bankrupt members. 77. Any person entitled under the transmission clause to any shares may vote at any General meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that seventy-two hours at least before the time of the holding of the meeting or adjourned meeting, as the case may be, at which he proposes to vote he shall satisfy the Board of his right to such shares, unless the Board shall have previously admitted his right to such shares or his right to vote at such meeting in respect thereof.

Joint holders. 78. Where there are joint registered holders of any share any of one such persons may vote at any meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto, and if more than one of such joint holders be present at any meeting, personally or by proxy, then one of the said persons present whose names stand first on the register in respect of such share shall alone be entitled to vote in respect thereof. Several executors or administrators of a deceased member in whose name any share stands shall for the purposes of this clause be deemed joint holders thereof.

Votes in respect of members of unsound mind. 79. A member of unsound mind, or in respect of whom an order has been made by any Court or competent jurisdiction, may vote, on a show of hands or on a poll, by his committee or other legal guardian, and any such Committee or guardian may, on a poll vote by proxy.

Proxies permitted. 80. On a poll votes may be given either personally or by proxy or by a duly authorised representative provided that no company shall vote by proxy as long as a resolution of its Directors authorising any person to act as its representative at any meeting of the Company passed in accordance with the provisions of the Act, is in force.

Instrument appointing proxy to be in writing. 81. A member entitled to attend and vote at a meeting may appoint another person (whether a member or not) as his proxy to attend a meeting and vote on a poll. No member shall appoint more than one proxy to attend on the same occasion. A proxy shall not be entitled to speak at a meeting or to vote except on a poll. The instrument appointing a proxy shall be in writing and be signed by the appointer or his attorney duly authorised in writing or if the appointer is a body corporate, be under its seal or be signed by an officer or an attorney duly authorised by it.

Instrument appointing proxy to be 82. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of that power or authority, shall be deposited at the Registered Office of the Company not less than forty-eight hours

before the time for holding the meeting at which the person named in the instrument deposited proposes to vote, and in default the instrument of proxy shall not be treated as valid. at office.

83. 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 if no notice of the death or revocation shall have been received at the office of the Company before the meeting. When vote by proxy valid though authority revoked.

84. An instrument appointing a proxy may be in the following form, or in any other form which the Board shall approve :—
Form of proxy.

THE FOREST DEVELOPMENT CORPORATION OF MAHARASHTRA, LIMITED.

"I, of in the district of being a member of the Forest Development Corporation of Maharashtra. Limited hereby appoint of as my proxy to vote for me and on my behalf at the (ordinary or extraordinary, as the case may be) general meeting of the Company to be held on the day of and at any adjournment thereof.
Signed this day of"

85. No member shall be entitled to be present, or to vote on any question, either personally or by proxy, or as proxy for another member, at any general meeting or upon a poll or be reckoned in a quorum whilst any call or other sum shall be due and payable to the Company in respect of any of the shares of such member. No member entitled to vote when call or other sum due to Company.

86. No objection shall be made to the validity of any vote except at the meeting or poll at which 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. Time for objection to vote.

87. Any resolution passed by the Board, notice whereof shall be given to the members in the manner in which notices are hereinafter directed to be given and which shall within one month after it shall have been so passed, be ratified and confirmed in writing by members entitled at a poll to three fifths of the vote shall be as valid and effectual as a resolution of general meeting; but this clause shall not apply to a resolution for winding up the Company or to a resolution passed in respect of any matter which by the statute or by these Articles ought to be dealt with by a special resolution. Resolution in writing of Board in certain cases to be equivalent to resolution of General meeting.

DIRECTORS

88. Until otherwise determined by the Company in a General Meeting, the number of Directors shall not be less than two and not more than seventeen. The Directors are not required to hold any qualification shares. The first Directors are :— Number of Directors.

1. Shri Madhao Vinayak Deo,

2. Shri Ramchandra Bhaskar Mujumdar.

89. (1) All the Directors shall be appointed by the Governor. They may be paid such salary and/or allowances as the Governor may from time to time in each case determine. Appointment of Directors. Provided, however, that if a member of the State Legislature or as the case may be of Parliament is appointed as a Director, he shall not be paid any salary but he shall be paid travelling allowance, daily allowance and such other allowances which may be payable to a Director for the purpose of meeting the personal expenditure incurred by him in attending the meeting of the Board or its Committee or in performing any other functions as Director.

(2) At every Annual General Meeting of the Company, all the Directors including the Chairman and the Vice-Chairman shall retire from office. A retiring Director including the Chairman and the Vice-Chairman shall be eligible for reappointment.

(3) The Governor shall have the power to remove any Director including the Chairman and the Vice-Chairman at any time in his absolute discretion.

(4) The Governor shall have the right to fill any vacancy in the office of the Director caused by retirement, removal, resignation, death or otherwise.

POWERS OF DIRECTORS

90. (1) Subject to the provisions of the Act the Board of Directors of the Company shall be entitled to exercise all such powers and to do all such acts and things as the Company is authorised to exercise and do; General power of the Company vested in Board.

Provided that the Board shall not exercise any power or do any act or thing which is directed or required, whether by the Act or by any other Act or by the Memorandum

or Articles of Association of the Company or otherwise, to be exercised or done by the Company in General Meeting ;

Provided further that in exercising any such power or doing any such Act or thing, the Board shall be subject to the provisions contained in that behalf in the Act or any other Act, or in the Memorandum or Articles of the Company or in any regulation not inconsistent therewith and duly made hereunder, including Regulations made by the Company in General Meeting.

(2) No Regulation made by the Company in General Meeting shall invalidate any prior Act of the Board, which would have been validated if that regulation had not been made.

Specify powers to Board.

91. Without prejudice to the general powers conferred by the last preceding Article, and the other powers conferred by these Articles and subject to the provisions of the Act the Board shall have the following powers, that is to say power :—

Power to purchase property.

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

Power to authorise work of capital nature.

(2) to authorise the undertaking of works of a capital nature, subject to the condition that all cases involving a capital expenditure exceeding Rs. one crore shall be referred to the Governor for his approval before authorisation.

Power to pay for property etc.

(3) to pay for any property, rights or privileges acquired 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 thereof as may be agreed upon ; and any such bond, debentures or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged ;

To secure contract by mortgage.

(4) to secure the fulfilment of any contracts or engagements entered into by the Company by mortgage or charge on all or any of the property of the Company and its uncalled capital for the time being or in such manner as they may think fit ;

To appoint officers, etc.

(5) to appoint and at their discretion, remove or suspend such managers, secretaries, officers, clerks, agents, and servants for permanent, temporary or special services as it may from time to time think fit, and to determine its powers and duties and fix their salaries or emoluments and to require security in such instances and to such amount as it thinks fit : provided that no appointment to a post in the company

"Provided that no appointment to a post in the Company carrying basic pay of or above Rs. 2,05,400/- per month shall be made without the prior approval of the Governor."

To appoint trustees.

(6) 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 to execute and do all such deeds and other things as may be requisite in relation to any such trust, and to provide for the remuneration of such trustee or trustees ;

To bring and defend action etc.

(7) to institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers, or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any claims or demands by or against the Company ;

To refer to arbitration.

(8) to refer any claim or demand by or against the Company to arbitration, and observe and perform the awards ;

To give receipts.

(9) to make and give receipts, releases and other discharges for money payable to the Company and for the claims and demands of the Company ;

To authorise acceptance, etc.

(10) to determine who shall be entitled to on the Company's behalf, bills, receipts, acceptances, endorsements, cheques, releases, contracts and documents ;

To appoint attorneys.

(11) to provide from time to time for the management of the affairs of the Company in such manner as it thinks fit, and in particular 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 ;

To invest moneys.

(12) to invest subject to such general or special directives, if any, given by the Governor in this behalf, in securities or in any other scheduled Bank or Banks to be specifically decided by the Board for having call deposits and opening current account and deal with any of the moneys of the Company upon such investment authorised by

Copy of the Special Resolution passed unanimously at the 48th Annual General Meeting of the Company held on Thursday the 25th November 2021.

the Memorandum of Association of the Company (not being shares in this Company) and in such manner as it thinks fit, and from time to time to vary or release such investments.

(13) subject to the provisions regarding consent of the Governor, to sell or dispose of or transfer the business or property, if any, of the Company or any part thereof for such consideration as the Company may deem proper and in particular for shares, debentures, or securities of any other Company having objects altogether or in part similar to those of the Company; **To Transfer business or property.**

(14) to execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any liability for the benefit of the Company such mortgages of the Company's property (present and future) as it thinks fit and any such mortgage may contain a power of sale and such other powers, covenants and provisions as shall be agreed upon; **To execute mortgages by way of indemnity.**

(15) subject to the approval of the Governor to give any person employed by the Company a commission on the profits of any particular business transaction, or a 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; **To give percentage.**

(16) to make, vary and repeal from time to time bye-laws for the regulation of the business of the Company; its officers and servants; **To make bye-laws.**

(17) to establish from time to time and at any time any Local Board for managing any of the affairs of the Company in any specified locality in the State of Maharashtra, or out of Maharashtra and to appoint any persons to be members of such Local Board and to fix their remuneration; and from time to time and at any time to delegate to any person so appointed any of the powers, authorities and discretion for the time being vested in the Board of Directors other than their powers to make calls; and to authorise the members for the time being of any such Local Boards for any of them to fill up any vacancies therein and to act notwithstanding vacancies and any such appointment or delegation may be made in such terms and subject to such conditions as the Board of Directors may think fit, and the Board of Directors may at any time remove any person so appointed and may annul or vary any such delegation; **To establish Local Boards.**

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

(19) to delegate all or any of the powers, authorities, and discretion for the time being invested in it, subject, however, to the ultimate control and authority being retained by it. **To delegate powers.**

92. Without prejudice to the generality of the above provisions, the Board shall reserve for decision of the Governor :— **Boards powers subject to Governor's decision.**

(1) Sale, lease or disposal otherwise of the whole or substantially the whole of the undertaking of the Company;

(2) Formation of a Subsidiary Company.

MANAGING DIRECTOR

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

(2) The Managing Director or Managing Directors shall be paid such salary and allowances as may be fixed by the Governor.

(3) In the absence of the Managing Director on leave or otherwise the Board may, with the previous approval of the Governor, empower any other Director or any principal Officer of the Company to perform all or any of his functions and duties;

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

General management in hands of Managing Director.

94. The Managing Director, subject to the provisions of the Act, and these Articles shall be entitled to the management of the whole of the affairs of the Company and he shall exercise his powers as such Managing Director subject to the superintendence, control and direction of the Board of Directors of the Company.

Managing Directors may sub-delegate.

95. The Managing Director may be authorised by the Board to sub-delegate such of his powers as he may think fit to other officers of the Company subordinate to him and such sub-delegation of powers made by the Managing Director shall be reported at the meeting of the Board immediately following the date of such sub-delegation.

SEAL

Seal and its custody and use.

96. The Board of Directors shall provide a common seal for the purposes of the Company and shall have power from time to time to destroy the same and to substitute a new seal in lieu thereof. The Board of Directors shall provide for the safe custody of the seal for the time being. The seal shall never be used except by the authority of the Board of Directors or a Committee thereof previously given by a resolution of the Board.

The seal shall be affixed to every deed or other instrument (other than share certificate) to which the seal is required to be affixed, in the presence of the Director and of the Secretary or some other person appointed for the purpose and both of them in token thereof shall sign such deed or instrument. The seal shall be affixed to the share certificates in the manner prescribed by the rules under the Act.

DISQUALIFICATION OF DIRECTORS

Disqualification of Directors.

97. The office of the Director shall become vacant if :—

(a) he is found to be of unsound mind by a Court of competent jurisdiction ;

(b) he applies to be adjudicated as insolvent ;

(c) he is adjudged an insolvent ;

(d) he is convicted by a Court in India for any offence and is sentenced in respect thereof to imprisonment for not less than six months ;

(e) he fails to pay any call in respect of shares of the Company held by him, whether alone or jointly with others, within six months from the last date fixed for payment of the call ;

(f) he absents himself from three consecutive meetings of the Board or from all meetings of the Board for a continuous period of three months, whichever is longer without obtaining leave of absence from the Board ;

(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 ;

(h) he fails to disclose the nature of his concern or interest in any contract or arrangement or proposed contract or arrangement entered into by/or on behalf of the Company as required under section 299 of the Act ;

(i) he becomes disqualified by order of the Court under section 203 of the Act ;

(j) he is removed in pursuance of section 284 of the Act ;

(k) he is concerned or participates in the profits of any contract with the Company ;

Provided, however, no Director shall vacate his office by reason of his becoming a member of any Company which has entered into contract with or done any work for the Company of which he is a Director but a Director shall not vote in respect of any such contract or work, and if he does so vote, his vote shall not be counted.

Disqualification referred to in sub-clauses (c), (d) and (i) above shall not take effect—

(a) for thirty days from the date of adjudication, sentence or order ;

(b) where any appeal or petition is preferred within thirty days aforesaid against the adjudication, or conviction resulting in the sentence, or order, until the expiry of seven days from the date on which such appeal or petition is disposed of, or

(c) where within the 7 days of aforesaid, any further appeal or petition in respect of the adjudication, sentence, conviction or order and the appeal or petition, if allowed, would result in the removal of the disqualification, until such further appeal or petition is disposed of.

ALTERNATE DIRECTOR

98. Subject to the provision of section 313 of the Act, or any statutory modification thereof, the Board of Directors may from time to time appoint an alternate or substitute Director to act for a Director during his absence of not less than three months from the State of Maharashtra, provided that such an appointment has received the approval of the Governor. The appointee while he holds office as an alternate or substitute Director shall be entitled to notice of meetings and to attend and vote there as a Director, but he shall not require any qualifications and shall be entitled to receive the remuneration which the original Director would have received. Any appointment so made may be revoked at any time by the Board of Directors. Any alternate or substitute Director shall *ipso facto* vacate office if and when the original Director returns to the State of Maharashtra.

Appointment of alternate or substitute Director.

99. The Managing Director or in his absence the Secretary may at any time convene a meeting of the Board of Directors. Questions arising at any meeting shall be decided by majority of votes. The Chairman shall have second or casting vote.

Managing Director may summon meeting how questions to be decided.

BOARD MEETINGS

100. A meeting of the Board of Directors shall be held for the despatch of the business of the Company at least once in every three calendar months, and at least four such meetings shall be held in every year. Notice of every meeting of the Board of Directors of the Company shall be given in writing to every Director for the time being in India and at his usual address in India to every other Director.

Meeting of the Board and their notice.

101. The quorum for the meeting of the Board of Directors of the Company shall be one-third of its strength (total strength as determined by the Act and any fraction in that one-third being rounded off as one), or 2 Directors which ever is higher; provided that where at any time, the number of interested Directors exceeds or is equal to two-third of the total strength the number of remaining Directors that is to say the number of Directors who are not interested not being less than two shall be the quorum during such time.

Quorum for the meeting.

102. A meeting of the Board of Directors for the time being at which a quorum is present, shall be competent to exercise all or any of the authorities, powers, discretions which by or under the Act or the Articles of Company are for the time being vested in or exercisable by the Board, of Directors generally.

Powers of the Board Meeting.

103. The Board shall cause proper minutes to be made of all general meetings of the Company and also of all appointments of officers; and of the proceedings of all meetings of the Directors and Committees, and of attendance thereat and all business transacted at such meetings, in accordance with the provisions of section 193 of the Act and any such minutes of general meeting, if purporting to be signed within 14 days from the conclusion of such general meeting, by the Chairman of such meeting, or in accordance with the provisions of sub-section 1A(b) of section 193 of the Act, and in case of minutes of Directors or Committee of Directors by the Chairman of the meeting or Chairman of the succeeding meeting, shall be conclusive evidence without any further proof of the facts therein stated.

Board to cause minutes to be made in books.

104. The Governor may from amongst the Directors nominate one as Chairman and another as Vice-Chairman of the Board of Directors' meetings and determine the period for which they are to hold office. If at any meeting, the Chairman is not present, the Vice-Chairman shall preside over the meeting. If at any meeting both the Chairman and the Vice-Chairman are not present within 30 minutes after the time of holding the same, the Directors present may choose one of their members to be Chairman of the meeting.

Chairman and Vice-Chairman of Directors' meetings.

105. The Board of Directors may subject to the provisions of sections 292 and 297 of the Act, delegate any of the power to a Committee consisting of such member or members of their body as they think fit; any committees so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the Board. Proceedings of such Committees shall be placed before the Board of Directors at the next meeting.

Delegation of powers to Committees.

106. A Committee may elect a Chairman of their meetings, if no such Chairman is elected or if at any meeting the Chairman is not present within 30 minutes after the time appointed for holding the same, the members present may choose one of their members to be Chairman of the meeting.

Chairman of Meeting of Committees.

What acts of Directors of Committee valid notwithstanding defective appointment etc.

107. All acts done by any meeting of the Board, or of a Committee of Directors, or by any person acting as a Director shall notwithstanding that it be afterwards discovered that there was some defect in the appointment of such Directors or persons acting as aforesaid or that they or any of them were disqualified be as valid as if every such person had been duly appointed and was qualified to be Director provided that nothing in this Article shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.

Resolution by circulation.

108. No resolution shall be deemed to have been duly passed by the Board, or by a Committee thereof by circulation, unless the resolution has been circulated in draft, together with the necessary papers, if any, to all the Directors, or to all the members of the Committee, then in India (not being less in number than the quorum for a meeting of the Board or Committee as the case may be), and to all other Directors or members of the Committee, at their usual address, and has been approved by such of the Directors or members of the Committee as are then in India or by a majority of such of them as are entitled to vote on the resolution.

Government may issue directives or instructions.

109. Notwithstanding anything contained in any of these Articles, the Government may, from time to time, issue such directives or instructions as they may think fit in regard to the finances and the conduct of the business and affairs of the Company and the Directors shall duly comply with and give effect to such directives or instructions.

Reserve Fund.

110. The Board may, before recommending any dividend set aside out of the profits of the Company such sums as they think proper as a reserve fund, to meet contingencies or for equalising dividends or for repairing, improving and maintaining any of the property of the Company and for such other purposes as the Board shall in its absolute discretion think conducive to the interests of the Company; and may invest the several sums to set aside upon such investments (other than shares of the Company), as it thinks fit from time to time deal with and vary such investments and dispose of all or any part thereof for the benefit of the Company and may divide the reserve funds into such special funds as it thinks fit and employ the reserve funds or any part thereof in the business of the Company; and that without being bound to keep the same separate from the other assets.

DIVIDENDS

Dividends.

111. The profits of the Company available for payment of dividend subject to any special rights relating thereto created or authorised to be created by these presents as to the reserve funds shall, with the approval of the Governor, be divisible among the members in proportion to the amount of capital held by them respectively. Provided always that (subject as aforesaid) any capital paid-up on a share during the period in respect of which a dividend is declared shall only entitle the holder of such share to an apportioned amount of such dividend as from the date of payment.

Capital paid up in advance

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

Declaration of dividends.

113. The Company in general meeting may declare dividends and may fix the time for payment, but no dividend shall exceed the amount recommended by the Board.

Dividend out of profits only and not to carry interest.

114. No dividend shall be payable otherwise than out of the profits of the year or any other undistributed profits of the Company and no dividend shall carry interests as against the Company.

When to be deemed net profits.

115. The declaration of the Board as to the amount of the net profits of the Company shall be conclusive.

Interim dividend.

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

Debts may be deducted.

117. The Board may retain any dividends on which the Company has a lien and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.

Dividend and call together.

118. Any general meeting declaring a dividend may make a call on the members of such amount as the meeting fixes, but the call on each member shall not exceed the dividends payable to him, and the call be made payable at the same time as the dividend, and the dividend may, if so arranged between the Company and the members be set off against the call.

119. A transfer of shares shall not pass the right to any dividend declared thereon after such transfer and before the registration of the transfer. **Effect of transfer.**
120. The Board may retain the dividends payable upon shares in respect of which any person is under the transmission clause (Article 30) entitled to become a member, of which any person under that clause is entitled to transfer, until such person shall become a member in respect of such shares or shall duly transfer the same. **Retention in certain cases.**
121. Any one of the several persons who are registered as the joint holders of any share, may give effectual receipts for all dividends and payments on account of dividends in respect of such shares. **Dividends to joint holders.**
122. No dividend shall be payable except in cash and shall be paid within forty-two days of its declaration. **Dividend to be in cash.**
123. Unless otherwise directed any dividend may be paid by cheque or warrant sent through the post to the registered address of the member or person entitled or in case of joint holders, to the registered address of that one whose name stands first on the register in respect of the joint holding, and every cheque or warrant so sent shall be made payable to the order of the person to whom it is sent. **Payment by post.**
124. Notice of the declaration of any dividend, whether interim or otherwise shall be given to the holders of registered shares in the manner hereinafter provided. **Notice of dividends.**
125. All dividends unclaimed for one year after having been declared may be invested or otherwise made use of by the Board for the benefit of the Company until claimed and all dividends unclaimed for three years after having been declared may be forfeited by the Board for the benefit of the Company, and if the Board thinks fit, it may be applied in augmentation of the reserve fund. **Unclaimed dividend.**

ACCOUNTS

126. The Board shall keep or cause to be kept at the Registered Office of the Company or at such other place in India subject to section 209 of the Act as the Board thinks fit proper books of accounts in respect of :—
- (a) all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure take place ;
- (b) all sales and purchases of goods by the Company ; and
- (c) the assets and liabilities of the Company.
127. Proper books of account shall also be kept at each branch office of the Company, relating to the transactions of that office and proper summarised returns made up to dates at intervals of not more than three months shall be sent by each branch office to the Company at its Registered office of the Company or the other place referred to in Article 126.
128. The books of account referred to in Articles 126 and 127 shall be such books as are necessary to give a true and fair view of the state of affairs of the Company or such branch office and to explain its transactions.
129. The books of account and other books and paper shall be open to inspection by any Director during business hours.
130. The Board shall, from time to time, determined whether and to what extent and at what times, and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to the inspection of the members and not being Directors ; and no member (not being a director) shall have any right of inspection of any account or book or document of the Company, except as conferred by law or authorised by the Board, or by a resolution of the Company in general Meeting. **Inspection to members when allowed.**
131. The Directors shall as required by the Act, cause to be prepared and to be laid before the Company in annual general meeting such profit and loss accounts, income and expenditure accounts, balance sheets, and reports as are referred to in and required by the Act. **Annual accounts and balance sheet**
132. The Balance Sheet shall give a true and fair view of the state of affairs of the Company at the end of the period of account. **Contents of Balance Sheet and Profit and Loss Account.**

The Profit and Loss Account shall give a true and fair view of the profit or loss of the Company for the period of Account.

The Balance Sheet and Profit and Loss Account shall comply with the provisions of Section 211 of the said Act.

Balance sheet and Accounts and Report how to be signed.

133. The Balance Sheet and Profit and Loss Account shall be signed in accordance with the provisions of Section 215 of the said Act.

The Profit and Loss Account shall be annexed to the Balance Sheet and the Auditor's Report shall be attached thereto.

The Directors shall make out and attach to every Balance Sheet laid before the Company in General Meeting a Report of the Board of Directors which shall comply with the requirements of and shall be signed in the manner provided by Section 217 of the said Act.

Contents of the Profit and Loss Account.

134. The Profit and Loss Account shall, subject to the provisions of Section 211 of the Act and the Schedule VI referred to therein, so 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 years income shall be brought into account so that a just balance of profit and loss may be laid before the meeting and in cases where any item of expenditure which may be in fairness be distributed over several years has been incurred in any one year, the whole amount of such item shall be stated with the addition of the reason why only a portion of such expenditure is charged against the income of the year.

(1) A copy of every Balance Sheet (including the Profit and Loss Account, the Auditor's Report and every other document required by law to be annexed or attached, as the case may be to the Balance Sheet), which is to be laid before the Company in General Meeting shall, not less than twenty-one days before the date of meeting, be sent to every member of the Company and to every other person entitled thereto under the provisions of Section 219 of the said Act.

If the copies of the documents aforesaid, are sent less than twenty-one days before the date of the meeting, they shall, notwithstanding the fact, be deemed to have been duly sent if it so agreed by all the members entitled to vote at the meeting.

(2) Any member or holder of debenture of the Company whether he is or is not entitled to have copies of the Company's Balance Sheet sent to him, shall, on demand, be entitled to be furnished without charges, and any person from whom the Company has accepted a sum of money by way of deposit shall, on demand accompanied by the payment of a fee of one rupee be entitled to be furnished, with a copy of the last Balance Sheet of the Company and of every document required by law to be annexed or attached thereto, including the Profit and Loss Account and the Auditor's Report.

Copies of Balance sheet when to be filed.

135. (1) Within 30 days after the Balance Sheet and Profit and Loss Account have been laid before the Company at the Annual General Meeting, the Company shall file with the Registrar, copies of the Balance Sheet and Profit and Loss Account together, with copies of all document which are required by the said Act to be annexed or attached to such Balance Sheet or Profit and Loss Account as prescribed by Section 220 and other provisions of the said Act, and the Rules made thereunder.

(2) If the Annual General Meeting before which a Balance Sheet is laid as aforesaid does not adopt the Balance Sheet, a statement of that effect and of the reasons therefor shall be annexed to the Balance Sheet and to the copies thereof required to be filed with the Registrar.

When accounts to be deemed finally settled.

136. Every account when audited and approved by a General Meeting shall be conclusive, except as regards an error discovered therein within three months next after the approval thereof. Whenever any error is discovered within the period, the account shall forthwith be corrected and thenceforth shall be conclusive.

Board to comply with sections 209 to 222 of the Act.

137. The Board shall in all respects comply with the provisions of Sections 209 to 222 of the Act, or any statutory modifications thereof for the time being in force.

AUDIT

138. (a) Once atleast in every financial year the accounts of the Company shall be examined and the correctness of the Profit and Loss Account and Balance Sheet ascertained by one or more Auditors.

Accounts when to be audited.

(b) Where the Company has a branch office, the account of that office shall be audited in the manner provided by Section 228 of the Act.

139. The auditors of the Company shall be appointed or reappointed by the Central Government on advice of the Comptroller and Auditor General of India and his/their remuneration, rights and duties shall be regulated by section 224 to 233 of the Act.

Appointment of auditors and their remuneration.

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.

Auditors right to attend the meetings.

141. The Comptroller and Auditor General of India shall have power :—

Powers of the Comptroller and Auditor General.

(a) to direct the manner in which the Company's account shall be audited by the auditor/auditors appointed in pursuance of Article 139 hereof and to give such auditor/auditors instructions in regard to any matter relating to the performance of his/their functions as such;

(b) to conduct a supplementary or test audit of the Company's accounts by such person or persons as he may authorise in this behalf ; and for the purpose of such audit, to have access, at all reasonable times, to all account, Account Books, Vouchers, Documents and other papers of the Company and to require information or additional information to be furnished to any person or persons so authorised, on such matters, by such person or persons and in such forms as the Comptroller and Auditor General may, by general or special order, direct.

142. 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. Any such comments upon or supplement to the audit report shall be placed before the Annual General Meeting of the Company at the same time and in the same manner as the audit report.

Comments upon or supplement to audit report by the Comptroller and Auditor General to be placed before General Meeting.

143. The State Government shall cause an annual report on the working and affairs of the Company to be :—

Annual report to be laid before State Legislature.

(a) prepared within the three months of its annual general meeting before which the audit report is placed ; and

(b) as soon as may be after such preparation, laid before both the Houses of the State Legislature with a copy of the audit report and comments or supplement referred to in Article 142.

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

When accounts deemed finally settled.

145. Notwithstanding anything contained in any of these articles the Governor may from time to time, issue such directives as he may consider necessary in regard to the finances, conduct of the business and affairs of the Company or Director thereof and in like manner vary and annul such directives. The Company shall give immediately effect to the directives so issued. In particular the Governor will have the powers :—

Rights of the Governor.

(i) to give directions to the Company as to the exercise and performance of its functions in matters involving national security and substantial public interest.

(ii) to call for such returns, accounts and other information with respect to the property and activities of the Company as may be required from time to time.

(iii) to approve the Company's Five Year Plans, Annual Plans of development and the Company's Capital Budget.

(iv) to approve the Company's Revenue Budget in case there is an element of deficit which is proposed to be met by obtaining funds from the Government, and

(v) to approve agreements involving foreign collaboration proposed to be entered into by the Company.

NOTICES

How notices to be served on members.

146. A notice may be given by the Company to any member either personally or by sending it by post to him to his registered address, or (if he has no registered address) to the address, if any supplied by him to the Company for the giving of notice to him.

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

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

When notice may be given by advertisement.

148. If a member has no registered address and has not supplied to the Company an address for the giving of notices to him, a notice addressed to him and advertised in a newspaper circulating in the neighbourhood of the Registered office of the Company, shall be deemed to be duly given to him on the day on which the advertisement appears.

Notice to joint holders.

149. A notice may be given by the Company to the joint holders of a share by giving the notice to the joint holder whose name appears first in the register in respect of the share.

How notice to be given to representatives of deceased or bankrupt members.

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

To whom notice of general meetings be given.

151. Notice of every general meeting shall be given in the same manner hereinbefore authorised to (a) every members who having no registered address have not supplied to the Company an address for the giving of notice to them 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 meetings, provided the company has due notice.

Transferees, etc. bound by prior notice.

152. Every person who, by operation of law, transfer or other means whatsoever, shall become entitled to any shares 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 the Company shall be duly given to the persons from whom he derives his title to such share.

How notice to be signed.

153. The signature to any notice to be given by the Company¹ may be written or printed.

Period of notice how calculated.

154. Where a given number of days' notice or notice extending over any other period is required to be given, the day of service shall, unless it is otherwise provided, be counted in such number of days or other period.

INDEMNITY TO AND PROTECTION OF DIRECTORS AND OFFICERS

Indemnity,

155. Subject to the provisions of the Act, every officers of the Company as defined by Section 2(3) of the said Act, or any person (whether an officer of the Company or not) employed by the Company as Auditor shall be indemnified out of the funds of the Company against all liability incurred by him in defending any proceedings, whether civil or criminal in which judgment is given in his favour or in which he is acquitted or discharged, or in connection with any application under Section 633 of the said Act, in which relief is granted to him by the Court.

Indemnity to Directors and other officers.

156. Subject to the provision of Section 201 of the said Act, every Director of the Company, the Manager, Secretary, Trustee, Auditor and other officer or servant of the Company shall be indemnified by the Company against and it shall be the duty of the Directors to pay out of the funds of the Company all losses, costs and expenses which any such person, officer or servant may incur or become liable to by reason of any contract entered into or any act or thing done by him as such officer or servant or in any way in or about the discharge of his duties, including travelling expenses.

157. Subject to the provisions of Section 201 of the said Act, no Director of the Company, Manager, Secretary, Trustee, Auditor and other officer or servant of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or Officer or servant or for joining in any receipts or other act for the sake of conformity merely, or for any loss or expenses happening to the Company through the insufficiency or deficiency in point of titles or value of any property acquired by the order of the Boards for or on behalf of the Company or mortgaged to the Company, or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation to or with whom any moneys, securities or effects of the Company shall be entrusted or deposited or for any loss occasioned by any error of judgment, omission, default or oversight on his part; or for any other loss, damage or misfortune whatever which shall happen in relation to the execution or performance of the duties of his office or in relation thereto, unless the same happens, thorough his own gross negligence, wilful default, serious misfeasance, deliberate breach of duty or breach of trust.

Directors and other officers not responsible for acts of others.

SECURITY CLAUSE

158. (1) No member shall be entitled to visit any works of the Company without the permission of the Directors or to require discovery of or any information respecting any detail of the Company's working trading, or any matter which is or may be in the nature of a trade secret, mystery of trade or secret process, which may relate to the conduct of the business of the Company, and which, in the opinion of the Board, it will be in expedient in the interests of the members of the Company to communicate to the Public.

Security clause.

(2) Every Director, Trustee for the Company, Share-holder or Debenture holder shall, if so required by the Board, sign a declaration pledging himself to observe a strict secrecy respecting all transactions of the Company and transactions with its customers and the state of accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matter which may come into the knowledge in the discharge of his duties except when required so to do by any meeting or by a Court of Law and except as far as may be necessary, in order to comply with any of the provisions in these Articles contained.

WINDING UP

159. If the Company shall be wound up and the assets available for distribution amongst 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 at the commencement of the winding up on the shares held by them respectively and if in a winding up the assets available for distribution among the members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed among 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 holders of shares issued upon special terms and conditions.

Distribution of assets on winding up

We several persons whose names and addresses are subscribed are desirous of being formed into a Company in pursuance of these Articles of Association and we respectively agree to take the number of shares in the Capital of the Company set opposite our respective names.

Names of subscribers.	Address, description and occupation, if any.	No. of shares	Signature of subscriber.	Signatures of witnesses and their addresses, designation and occupation.
Governor of Maharashtra				
MADHAO VINAYAK DEO son of VINAYAK NARAYAN DEO.	11, Rocky Hill Flats, Narayan, Dabholkar Road, Bombay-4.	1 (ONE)	(Sd.) M. V. Deo	(Sd.) F. J. Sidhwa, Farrokh Jehangir Sidhwa, Son of Jehangir Dorabji, Sidhwa, Solicitor 191, Bora Bazar Street, Bombay-1
(For and on behalf of Governor of Maharashtra).	Government Service. Secretary to Govern- ment of Maharashtra, Revenue and Forests Department.	equity.		
RAMCHANDRA BHASKAR MUJUMDAR son of BHASKAR PURUSHOTTAM MUJUMDAR.	10, New Shelter, 3rd floor, 'B' Road, Bombay-20.	1 (ONE)	(Sd.) R. B. Mujum- dar.	Do.
	Government Service. Deputy Secretary to Government of Maharashtra, Revenue and Forests Department.	equity.		
		Total .. 2 (TWO) equity shares		

Bombay, dated 16th February, 1974.