

**UNDER THE COMPANIES ACT, 2013
(18 of 2013)**

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

MANIPUR STATE BEVERAGES CORPORATION LIMITED

1. The regulations contained in Table-F of the First Schedule to the Companies Act, 2013 (hereinafter referred to as the Act) in so far as they are applicable to a Government Public Limited company shall apply to this company, same in so far as they are expressly or by implication excluded by the following Articles or by the Central government.

INTERPRETATION

2. In these Articles, unless there is something in the subject or context inconsistent therewith.
 - a) "The Company" means **MANIPUR STATE BEVERAGES CORPORATION LIMITED**;
 - b) "Financial Year" means in relation to the Company the period in respect of which any profit and loss account of the company laid before it in annual general meeting is made up, whether that period is a year or not;
 - c) "Government" means the Government of **MANIPUR**;
 - d) "Year" means the calendar year.
3. Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof, in force at the date at which these regulations become binding on the company.

PUBLIC COMPANY

4. The Company is a Public Company within the meaning of Section 2(71) of the Companies Act, 2013 and accordingly.

"Public Company" means a company which -

(a) is not a private company;

(b) has a minimum paid-up share capital, as may be prescribed:

Provided that a company which is a subsidiary of a company, not being a private company, shall be deemed to be public company for the purposes of this Act even where such subsidiary company continues to be a private company in its articles;

SHARE CAPITAL

5. The authorized share capital of the Company be such as shown by Clause V of the Memorandum of Association of the Company.
6. Subject to the approval of the Government and subject to the provisions of the Act, the Board may, from time to time, with the sanction of the Company in a general meeting, increase the share capital by such sum to be divided into shares of such amount as the resolution shall prescribe.
7. Subject to the provisions of Section 66 of the Act and such directions as may be issued by the Government in this behalf, the Company may, from time to time, by special resolution, reduce its capital by paying off capital or cancelling capital which has been lost or is unrepresented by available assets, or is superfluous, by reducing the liability on the shares or otherwise as may be expedient and capital may be paid off upon the footing that it may be called up again or otherwise and the Board may, subject to the provisions of the Act, accept surrender of the shares.
8. Subject to the approval of the Government, the Company in a general meeting may from time to time, sub-divide or consolidate its shares or any of them and exercise any of the other powers conferred by Section-61 of the Act and shall file with the Registrar of Companies such notice of exercise of any such powers as may be required by the Act.
9. If at any time, the capital of the Company, by reason of the issue of preference shares or otherwise, is divided into different classes of shares, all or any of the rights attached to the shares of each class may, subject to the provisions of Section 48 of the Act, be varied with the consent in writing of the holders of at least three-fourths of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of issued shares of that class and all the

provisions hereinafter contained as to general meetings shall, mutatis mutandis, apply to every such meeting.

SHARE ALLOTMENT, FORFEITURE, ETC.

10. Subject to the provisions of these articles and the Act and the directions of the Government, the shares shall be under the control of the Board of Directors, who may allot or dispose of the same, or any of them, to such persons who apply for it in writing, upon such terms and conditions and at such times, as the Board may think fit. The Stamp duty on shares shall be paid by the allottee, who applies for allotment of the shares.
11. If by the conditions of allotment of any shares, the whole or part of the amount or issue price thereof shall be payable by instalment. Every such instalment, when due and called, shall be paid to the Company by the person who, for the time being, shall be the registered holder of the shares or by his executor or administrator.
12. The joint holders of a share shall be severally as well as jointly liable for payment of all the instalments due and calls made in respect of such shares.
13. Shares may be registered in the name of any person, company or other body corporate. Not more than four persons can be registered as joint holders of any share.
14. Every person whose name is entered as a member in the register or as a debenture/bond holder shall, without payment, be entitled to a certificate under the Common Seal of the Company specifying the share or shares or bonds/debentures held by him and the amount paid thereon. In respect of a share or bond/debenture 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 or bond/debenture to one of the several joint holders shall be sufficiently delivered to all. The bond/debenture certificates shall be issued in marketable lots and if requested, shall be split into marketable lots within two months from the date they are lodged with the Company.
15. If a share certificate is defaced, lost, decrepit, worn out or destroyed, it may be renewed in accordance with the Companies (Share Capital and Debentures) Rules, 2014, framed under the Act without payment of fee and on such terms, if any, as to evidence and indemnity and the payment of

out-of-pocket expenses incurred by the Company in investigating such evidence as the Board may think fit.

16. The Company may, at any time, pay commission to any person in consideration of his subscribing or agreeing to subscribe, procuring or agreeing to procure subscription, whether absolutely or conditionally for any shares, debentures, bonds or debenture stock of the Company, subject to the statutory conditions and requirements being observed and complied with and further subject to the limits prescribed by the Central Government from time to time. The commission may be paid in cash or in the form of shares, debentures, bonds or debenture stock of the Company.
17. Subject to such directions as may be issued by the Government 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 whereof shall direct and if no direction be given, as the Board shall determine.
18. 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, forfeiture and otherwise.
19. The new shares, up to the amount of the authorized capital, as originally prescribed or as a consequence of increase in capital as aforesaid, may be issued or disposed of in accordance with the provisions of Article 10 above. However, subject to the directions of the Government, the new shares may be offered to the members in proportion to the existing shares held by each member and such offer shall be made by notice specifying the number of shares to which the member is entitled and limiting the time within which the offer, if not accepted, will be deemed to be declined and after the expiration of such time or on receipt of an intimation from the member to whom such notice is given that he declines to accept the shares offered, the Board may dispose of the same in such manner as they think most beneficial to the Company.

20. Call in respect of money unpaid

- a) The Board of Directors, may from time to time by a resolution passed at a meeting of the Board, and not by a resolution by circulation, make such call as it thinks fit upon the members in respect of money unpaid on the shares held by them whether on account of the

nominal value of the shares or by way of premium and not by the conditions of allotment thereof made payable at fixed times respectively, by giving not less than 15 days" notice for payment and each member shall pay the amount of every call so made on him to the Company at the time and place appointed by the Board of Directors. A call may be made payable by instalments. The Board may, at their discretion, extend the time for payment of such calls.

- b) If any member fails to pay any call due from him on the day appointed for payment thereof or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment, at such rate as shall from time to time be fixed by the Board of Directors, but nothing in this Article shall make it compulsory for the Board of Directors to demand or recover interest from any such Member.

21. Call when payable

- 1) Any sum which by the terms of issue of a share become payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium or otherwise, shall upon written notice be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable. In case of non-payment of such sum, all the relevant provisions of these regulations as to the payment of interest and expenses of forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
- 2) a) The Board may, if it thinks fit, receive from any member willing to advance the same, all or any part of the money uncalled and unpaid upon any shares held by him.
- c) Upon all or any of the money so advanced being received and until the same would, but for such advance become presently payable, the Board may, pay interest at such rate not exceeding 6% (six percent) per annum as may be agreed upon between the Board and the member paying the sum in advance, unless the Company in general meeting shall otherwise direct, and the Board of Directors may, at any time, repay the amount so advanced upon giving to such member three months' notice in writing.

22. 1) The Company shall have a first and paramount lien:

- a) On every share/debenture (not being a fully-paid share/debenture), for all moneys (whether presently payable or not) called, or payable at a fixed time, in respect of that share/debenture; and
- b) On all shares/debentures (not being fully-paid shares/debentures), standing registered in the name of a single person, for all moneys presently payable by him or his estate to the company: provided that the Board of Directors may at any time declare any share/debenture to be wholly or in part exempt from the provisions of this clause.
- c) On all shares or debentures for which the payment of allotment money (whether in full or part) was either deferred or kept as term deposit, as a condition of subscription by allottee to the shares or debentures.

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

23. The Company may sell, in such manner as the Board thinks fit, any shares/debentures on which the company has lien provided that no sale shall be made:

- 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 is presently payable, has been given to the registered holder for the time being of the share/debenture or the person entitled thereto by reason of his death or insolvency.

24. To give effect to any such sale, the Board may authorize some person to transfer the shares/debentures sold to the purchaser thereof.

25. The purchaser shall be registered as the holder of the shares/debentures comprised in any such transfer.

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

27. 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.
28. The residue, if any, shall subject to a like lien for sums not presently payable as existed upon the shares/debentures before the sale, be paid to the person entitled to the shares/debentures at the date of the sale.
29. If a member or a debenture-holder fails to pay any call or the allotment money which was deferred or kept as term deposit as a condition of subscription or instalment of a call on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or allotment money or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.
30. The notice aforesaid shall:
- a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
 - b) State that, in the event of non-payment on or before the day so named, the shares or debentures in respect of which the call was made will be liable to be forfeited.
 - c) If the requirements of any such notice as aforesaid are not complied with, any share or debentures in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.
31. A forfeited share or debenture may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
32. At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms, as it thinks fit.

33. Forfeiture of shares or debentures

- 1) A person whose shares or debentures have been forfeited shall cease to be a member in respect of the forfeited shares or debentures, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all money which on the date of forfeiture was presently payable by him to the Company in respect of such shares or debentures.
- 2) The liability of such persons shall cease if and when the Company shall have received payment in full of all such money in respect of the shares.
 - a) A duly verified declaration in writing that the declarant is a Director, Manager or the Secretary of the Company, and that a share or debenture 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 the shares or debentures.
 - b) The Company may receive the consideration, if any, given for the share or debenture on any sale or disposal thereof and may execute a transfer of the share or debenture in favour of the person to whom the share or debenture is sold or disposed of.
 - c) The transferee shall thereupon be registered as the holder of the share or debenture.
 - d) The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share or debenture, becomes payable at a fixed time, whether on account of the nominal value of the share or debenture or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

TRANSFER AND TRANSMISSION OF SHARES

34. The right of members to transfer their shares shall be restricted as follows;
 - a) A share may be transferred by a member or other person entitled to transfer, only to a person or persons approved by, or on behalf of the Government and to no other person.
 - b) Subject to the provisions of Section 58 of the Act and subject as aforesaid, the directors may decline to register any proposed transfer of shares.
35. So far as it concerns any share held by any person as a nominee of the Government, on the Government requiring him to transfer any such shares to the Government or to any other person or

persons nominated by the Government 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 or subject to the supervision of the court, the following provisions shall take effect, namely: -

- a) The Government may, at any time, serve the company with a requisition to enforce the transfer of any such share.
- b) The company shall thereupon forthwith give to the holder of such shares, 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 estate, effect, 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 or liquidator of such holder, shall be executed in favour of the Government or of any person or persons nominated by the Government, a proper transfer in respect of such shares and hand over the same along with the relative certificate in respect of such share to the Government or any other person or persons nominated by them in that behalf. In case the company's notice as aforesaid is not complied with by any such holder or other person, the directors may, at any time thereafter, execute a transfer in respect of such share for and on behalf of such holder or his estate and the same shall be deemed to have been duly and properly executed for and on behalf of such holder or 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 Government or such person or persons as they may nominate.

36. No fee shall be charged in respect of the Transfer or Transmission of shares.

BORROWING POWERS

37. Subject to the approval of the Government and the provisions of Section 179 of the Act, the Board may by means of a resolution passed at a meeting of the Board from time to time, borrow from

national and international financial institutions/banks or from the public or from government corporations on terms and conditions deemed appropriate and/or secure the repayment of any sum or sums of money borrowed for the purpose of the Company, provided that no approval of the Government would be necessary for borrowing from banks, public sector financial institutions or from government corporations for the purpose of meeting working capital requirements on the hypothecation of the Company's current assets or otherwise. In particular, the Board may borrow money by issue of bonds, perpetual or redeemable debentures/bonds against any mortgage, charge or other security on the property of the Company including the uncalled capital of the Company for the time being.

38. Issue at discount etc. or with special privileges

Subject to the approval of the Government and subject to Sections 53 and 71 of the Act, any bonds, debentures or shares may be issued at a discount, premium or otherwise and with special privileges as to redemption, surrender, drawings and allotments of shares or bonds.

39. Inviting/accepting deposits

Subject to the provisions of Sections 73 and 76 of the Act and the rules made thereunder from time to time and directives of the Reserve Bank of India, the Board of Directors may from time to time, invite and/or accept deposits from members of the public and/or employees of the Company or otherwise at such interest rates as may be decided by the Board, subject to the limits as laid down in Companies (Acceptance of Deposits) Rules, 2014. The Board may also pay commission to any person or agency for subscribing to or procuring such deposits.

GENERAL MEETING

40. i) The Company shall, in each year, hold a General Meeting as its Annual General Meeting in addition to any other meeting in that year. The First Annual General Meeting of the Company shall be held within a period of nine months from the closing of the first financial year of the company and subsequent Annual General Meetings shall be held within six months after the expiry of each financial year, provided that not more than fifteen months shall lapse between the date of one Annual General Meeting and that of the next. At every Annual General Meeting of the company,

there shall be laid on the table, the Director's Report and Audited Statements of Account and the Auditor's Report along with the comments of the Comptroller and Auditor General of India in terms of Section 394 of the Act.

ii) Nothing contained in Article 9 (i) above shall be taken as affecting the right conferred upon the Central Government under the provisions of the Act to extend the time within any Annual General Meeting may be held.

iii) If the company is not in a position to hold the Annual General Meeting and/or lay on the table the Audited Statements of Account as required in sub-clause (i) above, for any reason whatsoever, it shall report the fact well in advance to the Government, together with the reasons therefor, before the company approaches the Central Government for extension of time to hold the Annual General Meeting. The audited Statements of Account shall, however, be placed on the table at the Annual General Meeting held within the period of extension thereof, if any, allowed by the Central Government.

41. Notice of General Meeting

- 1) A general meeting of a company may be called by giving not less than clear twenty-one days' notice either in writing or through electronic mode in such manner as may be prescribed in the Act and the ruled made there under.
- 2) A general meeting may be called after giving a shorter notice if consent is given in writing or by electronic mode by not less than ninety-five percent of the members entitled to vote at such meeting.
- 3) Every notice of a meeting shall specify the place, date, day and the hour of the meeting and shall contain a statement of the business to be transacted at such meeting.

42. Omission to give notice not to invalidate a resolution passed

An accidental omission to give notice to or the non-receipt thereof by any member shall not invalidate any resolution passed at any such meeting.

43. Business at General Meeting

The ordinary 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 of Directors and the Auditors, and to declare dividends. All other business transacted at such meeting and all business transacted at an extraordinary general meeting shall be deemed as special.

44. Annual General Meeting – Time and Place

Except in the case when for any special reason time for holding any annual general meeting (not being the first annual general meeting) is extended by the Registrar of Companies under Section 96 of the Act, no interval greater than fifteen months shall be allowed to elapse between the date of one annual general meeting and that of the next. Every annual general meeting shall be held during business hours on a day other than a National Holiday either in the city where the Registered Office of the Company is located or such other place as the Central Government may approve in this behalf. Notice calling the meeting, shall specify it as the Annual General Meeting. All other meetings of the Company shall be called “Extra-Ordinary General Meeting”.

45. Quorum

- 1) No business shall be transacted at any general meeting unless a quorum of members is present at the time.
- 2) Save as herein otherwise provided, five members present, one of whom is a representative of the Government, in person shall be quorum for a general meeting of the Company.

46. Chairman of General Meeting

The Chairman of the Board shall be entitled to take the chair at every general meeting or if there be no such Chairman, or if at any meeting he shall not be present within fifteen minutes after the time appointed for holding such meeting or he is unwilling to act as Chairman, the Vice-Chairman shall take the chair. If neither the Chairman nor Vice-Chairman are present then 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 number to be the Chairman.

47. If quorum not present

If within half an hour from the time appointed for the meeting the quorum is not present, the meeting if convened upon requisition of members, 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 or to such other day and at such other time and place as the Board may determine and, if at such adjourned meeting a quorum is not present, then those members who are present shall constitute the quorum and may transact the business for which the meeting was called.

48. Government's representative

- 1) The Government may, from time to time, appoint one or more persons, who need not be a member of the Company, to represent him at any general meeting of the Company.
- 2) Any persons appointed under sub-clause (1) of this Article shall be deemed to be a member of the Company and shall be entitled to vote and be present in person and exercise the same rights as the Government could exercise as a member of the Company.
- 3) The Government may, from time to time, cancel any appointment made under sub-clause (1) of this Article and make a fresh appointment.

49. Adjournment

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 place to place.

50. Business at adjourned meeting

No business other than the business left unfinished at the meeting shall be transacted at any adjourned meeting from which the adjournment took place.

51. Notice of adjourned meeting

When a meeting is adjourned for 30 days or more, notice of the adjourned meeting shall be given as was given in the case of an original meeting. In other case it shall not be necessary to give any notice of an adjourned meeting.

52. How questions decided

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. Upon show of hands every member present in person or by proxy shall have one vote. The Chairman shall declare that a resolution has, on a show of hands, been carried unanimously or by a particular majority or lost.

53. Poll

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, 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. However, in case of demand of poll on the election of a Chairman of a meeting or on any question of adjournment, the poll shall be taken at the meeting itself without an adjournment. In a poll every member shall have one vote for every share held by him.

54. Business may proceed notwithstanding demand of poll

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

55. Chairman's decision conclusive

The Chairman of the 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 sole judge of the validity of every vote tendered at such poll. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered. Any such objection made in due time shall be referred to the Chairman of the meeting whose decision shall be final and conclusive.

56. Company not bound to recognize trust in shares or bonds

The Company shall be entitled to treat the person whose name appears on the register of members or bond/debenture holders 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 recognize any benami, trust, equity or equitable, contingent or other claim to or interest in such share or bond/debenture on the part of any other person.

57. No member to vote unless calls are paid up

No member shall be entitled to vote at any general meeting unless all calls presently payable by him in respect of the shares in the Company are paid up.

58. Instrument appointing proxy

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 show of hands or on a poll. The instrument appointing a proxy shall be in writing and be signed by the appointer or his attorney duly authorized in writing or if the appointer is a body corporate, be under its seal or be signed by an officer or an attorney duly authorized by it. An instrument appointing a proxy shall be in either of the forms in MGT-11 to the Act or a form as near thereto as circumstances admit. The instrument appointing a proxy and the power of attorney shall be deposited at the Registered Office of the Company not less than forty-eight hours before the time fixed for holding the meeting.

59. Vote in respect of share of deceased members

Any person entitled under the Transmission Clause to transfer any share may vote at a General Meeting in respect thereof as if he was the registered holder of such shares provided that at least seventy-two hours before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall satisfy the Directors of his right to transmission of such shares, unless the Directors have previously admitted his right to vote at the meeting in respect of such shares.

BOARD OF DIRECTORS

60. The number of Directors, including the Managing Director and the whole time Directors shall be not less than 3 and not more than 15.
61. Until the Directors are formally appointed by the Government in accordance with Article 12 hereinafter contained, the following persons shall be the first Directors of the company,
1. Shri. Vineet Joshi - Chief Secretary, Government of Manipur
 2. Shri. N Ashok Kumar - Administrative Secretary (Home), Government of Manipur
 3. Shri. Neilenthang Telien - Administrative Secretary (Finance), Government of Manipur
 4. Shri. Huiem Gyan Prakash - Administrative Secretary (Education), Government of Manipur
 5. Shri. Hungyo Worshang - Administrative Secretary (Health & FW), Government of Manipur
 6. Shri. Mongjam Joy Singh - Administrative Secretary (MAHUD), Government of Manipur
 7. Shri. Mamnoon Hasan Khan - Administrative Secretary (RD & PR), Government of Manipur
62. a) The Directors shall be appointed by the Government subject to such terms as the Government may deem fit. The Government shall have power, from time to time, to remove all or any of the Directors from the office, including the Chairman, Vice Chairman, Managing Director, Executive Director (or other Director by whatever designation appointed) without assigning any reasons whatsoever and in the event of such removal or in the event of any vacancy in the office of the

directors caused by resignation, death or otherwise, the Government shall be entitled to appoint another director in such a vacancy.

b) Out of the Directors to be appointed by the Government (excluding the Managing Director and the whole time Director), at least one-third (any fraction contained in that one-third being rounded off as one) of the Directors of the Company shall be from the Government representing the controlling Department in the Government, Finance Department and such other department, which may have interest in, or whose association may be beneficial for the company.

c) Another one-third (any fraction contained in that one-third being rounded off as one) of the Directors shall be professionals, and experts in the fields like Finance, Management, Production, Inventory Control, Engineering, Industrial Relations, etc., depending upon the nature of undertakings. For removal of doubts, it is hereby clarified that the Government officials may also be appointed as Directors under this category, provided they possess necessary experience and expertise in the representative fields.

63. Powers of Chairman

The Chairman may reserve for decision of the Government any proposals or decisions of the Board of Directors or any matter brought before the Board which raise in the opinion of the Chairman, any important issue and which is on that account fit to be reserved for the decision of the Government, and no decision on such an issue shall be taken in the absence of the Chairman appointed by the Government.

64. The Government may, from time to time, appoint, one of the Directors to the Office of Chairman, Deputy/Vice-Chairman or whole-time Director (by whatever designation) and determine the terms and conditions of their appointment to the said office.

65. The Government may, from time to time, appoint one of the Directors to the office of the Managing Director for such term and at such remuneration (by way of salary or commission or otherwise or partly in one way and partly in another) as the Government thinks fit and may, from time to time, remove or dismiss him from office and appoint another in his place. Any such Director appointed to any such office shall, if he ceases to hold the office of Director for any cause IPSO FACTO, immediately cease to be a Managing Director.

66. A Director shall not be required to hold any qualification shares.

67. The business of the company shall be managed by the Board who may pay all expenses, preliminary and incidental to the promotion, formation, establishment and registration of the company and the Board may exercise all such powers of the company and do all such acts and things as are not, by the Act, or any other Act or by the Memorandum or by the Articles of the company, required to be exercised by the company in general meeting, subject nevertheless to these articles, to the provisions of the Act, or any other Act and to such regulations being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the company in general meeting, but no regulation made by the company in general meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.
68. Without prejudice to the general powers conferred by the last preceding Article and so as not in any way to restrict or limit these powers, and subject to the provisions of Section 179 of the Act, the Board may, from time to time, at its discretion by any resolution passed at a meeting of the Board, accept deposits from members either in advance of calls or otherwise, and generally raise or borrow or secure the payment of any sum or sums of money for the purpose of the company.
69. The payment of monies borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Board thinks fit and in particular, by the issue of bond, perpetual or redeemable, debentures or debenture stock of the company or any mortgage or charge or other security upon all or any part of the property of the company (both present and future), including its uncalled capital.
70. Subject to the provisions of Section 179 of the Act, the Directors may from time to time and at any time, delegate, to the Managing Director or to any other Director or Directors (by whatever designation), any of the powers, the authorities discretion, for the time being vested in the Directors any such delegation may be made on such terms and subject to such conditions including power to sub-delegate, as the Directors may think fit, and may at any time annul or vary any such delegation.

PROCEEDINGS OF BOARD OF DIRECTORS

71. The Directors may meet together as a Board for the dispatch of business from time to time and shall meet at least once in every 3 months and at least 4 such meetings shall be held in every year.

72. If no chairman is appointed by the Government, or if at any meeting of the board, the Chairman is not present within 15 minutes after the time appointed for holding the same, the Directors present may choose one of their members to be Chairman of the meeting.
73. At each of the board meetings the Managing Director shall, inter alia, place on the table, a review of the results of operations of the company during the period from the date of the last meeting till the date of that meeting and report the deviations between the actual and the targets.
74. The board shall prepare and obtain the prior consent of the Government for its long term and short-term plans. The board shall also prepare budgets well in advance of the commencement of each financial year and obtain the prior consent of the Government for the capital and revenue budgets.
75. The Chairman shall reserve for the decision of the Government, any proposal or decision of the board of directors or any matter brought before the board which raises, in the opinion of the Chairman, an important issue and which is on that account fit to be reserved for the decision of the government and no decision on such an important issue shall be taken till the Government gives its opinion on the issue.
76. The company may, by special resolution, reduce in any manner and with and subject to, any consent required by law, -
- (a) its share capital;
 - (b) any capital redemption reserve account;
 - (c) any share premium account.

RESERVES

77. Reserve fund

Subject to the provisions of the Act, the Board may, while approving the annual accounts, set apart out of the profits of the Company such sums as they think proper as a reserve fund to meet contingencies or for equalizing dividends, or for repairing, improving and maintaining any of the

property of the Company and for amortization of capital and for such other purposes as the Board of Directors shall in their absolute discretion think conducive to the interest of the Company and may invest the several sums so set aside upon such investments (other than shares of the Company) as they may think fit from time to time and to 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 they think fit and employ the reserve funds or any part thereof in the business of the Company and without being bound to keep the same separate from the other assets.

DIVIDENDS OUT OF PROFITS

78. Dividends out of profits only and not to carry interest

No dividend shall be declared or paid by the Company for any financial year except out of the profits of the Company for that year arrived at after providing for the depreciation in accordance with the applicable law and further subject to provisions made for Decommissioning Fund and Reserve Funds under Articles 60(k) and 62.

79. Dividend in proportion to paid up capital.

With the approval of the Government, the dividend shall be paid to the members in proportion to the amount of capital paid by them respectively. Provided, however, if any capital is paid during the period in respect of which a dividend is declared, then the holder of such a share shall be entitled to an apportioned amount of such dividend related to the date of payment.

80. Declaration of dividend

The Company in general meeting may declare a dividend to be paid to the members according to their respective rights but the dividend declared shall in no case exceed the dividend amount recommended by the Board.

81. Interim dividend

The Directors may, from time to time, pay to the members such interim dividend as in their judgment performance of the Company so justifies.

82. Debts may be deducted

Subject to the provisions of the Act, the Board may retain any dividends in respect of shares 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.

83. Dividends to the joint holders

Any one of 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.

ACCOUNTS & AUDIT

84. Every balance sheet laid before the company in annual general meeting shall be accompanied by a Report of the Board of Directors as required under the provisions of Section 134 of the Act and shall, in addition, deal with the performance during the period under review, the objectives of the company and the extent to which the company has achieved the objectives. It should also contain a report of the social costs incurred by it during the relevant financial year.
85. The board shall, within 30 days from the date on which the annual accounts of the company are adopted at an annual general meeting, submit to the Government, a report on the working and affairs of the company so as to enable the Government to comply with the provision of Section 394 of the Act, and where an annual general meeting was not held in any year, for any reasons whatsoever, the Board shall within 30 days from the date on which the annual general meeting should have been held in accordance with the Act, submit an interim report on the working and affairs of the company.
86. 1. State Government shall cause an annual report on the working and affairs of the company to be: -

- (a) prepared within the time specified in sub-section (1) of section 394;and
- (b) as soon as may be after such preparation, laid before the House or both Houses of the State Legislature together with a copy of the audit report and comments upon or supplement to the audit report referred to in sub-section (1) of that section.

2. The provisions of this section and section 394 shall, so far as may be, apply to a Government company in liquidation as they apply to any other Government company.

87. Subject to the provisions of Section 139(5) of the Companies Act, 2013 the Comptroller and Auditor-General of India shall, in respect of a financial year, appoint an auditor duly qualified to be appointed as an auditor of companies under this Act, within a period of one hundred and eighty days from the commencement of the financial year, who shall hold office till the conclusion of the annual general meeting. The provisions of Sections 139, 140 and 143 of the Act shall apply to the Company so far as they are applicable to Government Company.

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

In particular, the Government will have the powers:

- (i) 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;
- (ii) To authorize the amount of capital to be raised and the terms and conditions on which it may be raised;
- (iii) To approve the Company's long term short-term plans;
- (iv) To approve the Company's capital and revenue budgets;
- (v) To approve agreements involving foreign collaboration proposed to be entered into by the company, and

(vi) To approve purchases and contracts of a major nature involving substantial capital outlay which are in excess of limits prescribed by the Government.

(vii) To cause such verification, enquiry or investigation as may be necessary, into the functioning of the corporation, through one of the Directors or Officers of the Corporation or through any other Officer, the Government or anybody else to be authorized by the Government.

89. a) The Directors shall, from time to time, determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books and documents of the company or any of them shall be open to the inspection of members, not being directors.

b) No member (not being a Director) shall have any right of inspecting any account, book or document of the company except as conferred by law or authorized by the directors, or by a resolution of the company in a general meeting, provided that the officers and other authorised nominees of the Government shall have a right to inspect business premises, records, documents, registers, books of account and other, relevant statutory books and obtain copies and extracts there from free of cost during the normal working hours of the company, whether such officers and authorised nominees are directors or members of the company or not.

WINDING-UP

90. Distribution of assets on winding-up

Subject to the provision of the Act, if the Company is to be wound up and assets available for distribution among the members are 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 and the commencement of winding-up, on the shares held by them respectively. And if in a winding-up the assets available for distribution among the members are more than sufficient to repay the whole of the paid-up capital such assets shall be distributed amongst the members in proportion to the capital paid up on the shares held by them respectively. However, this would be without prejudice to the rights of the holders of shares issued upon special terms and conditions.

SECRECY

91. Secrecy Clause

Every Director, Secretary, Trustee for the Company, Members of a Committee, Officer, Servant, Agent, Accountant, or other person employed in or about the business of the Company shall, whether or not specifically required by the Board before entering upon his duties to sign a declaration, observe strict secrecy in respect of all transactions of the Company, the state of its accounts and matters relating thereto and shall not reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the Board or by any general meeting except in so far as may be necessary in order to comply with any of the provisions of these Articles or by an order of a Court of Law.

92. Restriction on entry upon property

No share holder or bond/debenture holder (not being a Director) shall be entitled to enter upon the property of the Company or to inspect or examine the premises or properties of the Company or its books without the permission of the Board or to require discovery of or any information respecting any activity on trading of the Company or any matter which is or may be in the nature of a trade secret, mystery of trade, or secret process or of any matter which may relate to the conduct of business of the Company and which in the opinion of the Board it will be inexpedient in the interest of the Company to communicate to the public. The Government shall, however, be exempt from the provision of this Article notwithstanding anything mentioned herein before.

INDEMNITY AND RESPONSIBILITY

93. Directors and others right to indemnity

- 1) Subject to the provisions of Section 447 of the Act, every Director, Manager, Auditor, Secretary or other Officer or employee of the Company shall be indemnified by the Company against any bona fide liability and it shall be the duty of the Directors to pay out

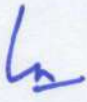
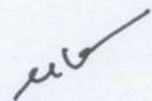
of the funds of the Company all costs, losses and expenses (including travelling expenses) which any such Director, Manager, Officer or employee may incur or become liable to by reason of any contract entered into or act or deed done by him or them as such Director, Manager, Officer or Servant or in any other way in the discharge of his/their duties and the amount for which such indemnity is provided shall immediately attached as a lien on the property of the Company and have priority as between the members over all other claims.

- 2) Subject to as aforesaid every Director, Manager or Officer of the Company shall be indemnified against any liability incurred by him or them in defending any bona fide proceedings whether civil or criminal in which judgment is given in his or their favour in which he is or they are acquitted or in connection with any application under Section 463 of the Act in which relief is given to him or them by the Court.

94. Individual responsibility of Directors

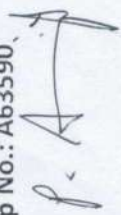
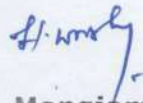
No Director, Secretary, Manager, Auditor or other Officer or employee of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or Officer or employee of the Company or for joining in any receipt or other act for the sake of conformity or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of 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 tortious act of any person, company or corporation with whom any moneys, securities or effects shall be deposited or entrusted for any loss occasioned by an error of judgment or oversight on his or their part, or for any other loss, damage or misfortune whatever, which shall happen in the execution of the duties of his or their office or in relation thereto unless the same happens through his own dishonesty, negligence, default, misfeasance, breach of duty or trust.

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

Sl. No.	Names, Addresses, Descriptions, Occupations and Signatures of the Subscribers	Name/s and Signature/s of the Witness/es and their Address/es, Description/s and Occupation/s
1.	 Mr. Vineet Joshi S/o Girija Nandan Joshi R/o D-6, Tower 1, New Moti Bagh, New Delhi - 110023, India Occ: Service D.O.B: 02/11/1968 	"I witness to the subscribers who have subscribed and signed in my presence on 19/10/2024 Further, I have verified their identity details for their identification and satisfy myself of their verification particulars as filled in." Name: Paonam Amarjit Singh S/o Paonam Gulapi Singh R/o Keinou Thongthak Mongkhang Leikai, Bishnupur, Manipur - 795134 Occupation: Company Secretary Membership No.: A63590 Signature:  
2.	 Mr. Natarayan Ashok Kumar S/o N N G Venkatapuram R/o D-II, 358, Vinay Marg, Chanakyapuri, New Delhi Delhi - 110021, India Occ: Service D.O.B: 15/11/1978 	
3.	 Mr. Neilenthang Telien S/o Rehlutsong Kom Telien R/o Lower Kom Keirap, Loktak Project, PO/ PS Churachandpur, Manipur - 795124, India Occ: Service D.O.B: 26/05/1985 	

DATE: 19-10-2024

PLACE: IMPHAL

Sl. No.	Names, Addresses, Descriptions, Occupations and Signatures of the Subscribers	Name/s and Signature/s of the Witness/es and their Address/es, Description/s and Occupation/s
4.	 Mr. Huirem Gyan Prakash S/o Huirem Devendra Singh R/o House No. 75, Near ICICI Bank, Churachandpur Bus Stand, Keishamthong Laishom Leirak Imphal West -795001, Manipur Occ: Service D.O.B: 29/07/1966 	"I witness to the subscribers who have subscribed and signed in my presence on <u>19/10/2024</u> Further, I have verified their identity details for their identification and satisfy myself of their verification particulars as filled in." Name: Paonam Amarjit Singh S/o Paonam Gulapi Singh R/o Keinou Thongthak Mongkhang Leikai, Bishnupur, Manipur - 795134 Occupation: Company Secretary Membership No.: A63590 Signature:  
5.	 Mr. Hungyo Worshang S/o Varese Hungyo R/o Langthunching Village, Near Shija Clinic, Langol Imphal West, PO Lamphel, Manipur - 795001, India Occ: Service D.O.B: 25/03/1983 	
6.	 Mr. Mongjam Joy Singh S/o Mongjam Babu Singh R/o Leiren Mansion Opposite Super Market, PO - Lamphel, Imphal West, Manipur - 795004, India Occ: Service D.O.B: 01/01/1965 	
7.	 Mr. Mamnoon Hasan Khan S/o Masroor Hasan Khan R/o VIP State Guest House, Babupara, Imphal West, Manipur - 795001, India Occ: Service D.O.B: 01/06/1964 	

DATE: 19-10-2024

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