

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

OF
SAHYOGI MITRA FARMER PRODUCER COMPANY LIMITED
PRELIMINARY


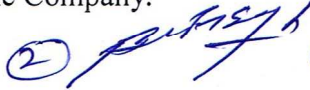








1. Subject as hereinafter provided the Regulations contained in Table 'F' in the Schedule I to the Companies Act, 2013 shall apply to the Company so far as they are applicable to Producer Company except so far as they have implied or expressly modified by what is contained in the Articles mentioned as altered or amended from time to time.

INTERPRETATION

2. In these Regulations:-

- a) **"Company"** means **"SAHYOGI MITRA FARMER PRODUCER COMPANY LIMITED"**
- b) **"Office"** means the Registered Office of the Company.
- c) **"Act"** means the Companies Act, 2013 and the corresponding sections of Companies Act 1956, and any statutory modification thereof.
- d) **"Seal"** means the Common Seal of the Company.
- e) **"Directors"** means a Director appointed to the Board of the company.
- f) **"Member"** means a person admitted as a member of the Company under the provisions of these Articles.
- g) **"Person"** shall include any Association, Corporation, Company as well as individual.
- h) **"Chairman"** means a member of the Board who has been elected as Chairman by the directors of the Board under the provisions of these Articles.
- i) **"Board"** means the Board of Directors constituted under the provisions of these Articles.
- j) **"General Meeting"** includes annual and special general meetings.
- k) **"Chief Executive"** an individual, who has been appointed by the Board as chief executive for the management of the affairs of the Company.
 - A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board.
 - A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.
- l) **"Mutual Assistance Principles"** means the principles set out in these Articles.
- m) **"Patronage"** means the use of services offered by the Company to its Members by participation in its business activities.
- n) **"Patronage Bonus"** means payments made to members of the Company from out of the resultant surplus income.

3. Unless the context otherwise requires words or expressions contained in these Articles shall be the same meaning as in the Act, or any statutory modification thereof in force at the date at which these Articles become binding on the Company.

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PRODUCER COMPANY

4. The company is a producer company within the meaning of section 581A(1) of the act.
- All the limitations, restrictions and provisions of the Act, other than those specified in Part IX A of the Act, applicable to a private company shall apply to this company, as if it is a private limited company in so far as they are not in conflict with the provisions of Part IX A of the Act.
 - Pursuant to 2(68) of Companies Act, 2013 company having a minimum paid-up capital of One Lakh Rupees or such higher paid up capital as may be prescribed and which by its articles;-
 - i. restricts the right to transfer its shares;
 - ii. Prohibits any invitation to the public to subscribe for any securities of the company.-

SHARE CAPITAL

5. The authorized share capital of the Company is as specified in clause V of Memorandum of Association with power to increase, reduce, alter or re-organize the shares, in accordance with the provisions of the Companies Act 2013.

MEMBERSHIP

6. A) The membership shall be voluntary and be available to all eligible persons or Producer Institutions, whether incorporated or not, who shall be producer of primary produce or any kind and who can participate and avail the facilities or services of the Producer Company and who are willing to accept the duties of membership.
B) A Member shall not have business interest in conflict with company's objects.

MEMBERSHIP RIGHTS

7. The members are eligible for apart on age bonus based on total primary produce he/she supplied to the company.

VOTING RIGHT

8. Subject to the provisions of section 581D of the Act, every member shall have one vote and in the case of equality of votes, the chairman or person presiding shall have a casting vote except in the case of election of the chairman.

ISSUE OF SHARES OTHER THAN FOR CASH

9. The Board may issue and allot shares in the capital of the Company as payment or part payment for any produce sold or goods supplied, or for services rendered or to be rendered to the company.







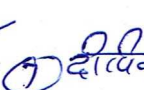



SURRENDER OF SHARES

10. Where the Board is satisfied that-
- (a) Any member has ceased to be a primary producer, or
 - (b) Any member has failed to retain his qualification to be a member as specified in the Articles, the Board shall direct the surrender of shares together with special right if any to the company at par value.

Provided that the Board shall not direct such surrender of shares unless the member has been served with a written notice and given an opportunity of being heard.

TRANSFER AND TRANSMISSION OF SHARES

11. No Transfer of shares shall be registered unless the requirements of section 56 of the Act applicable to a Private Company are complied with.
12. A member after obtaining the previous approval of the board may transfer the whole or part of his shares along with any special right to an active member at par Value.

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13. Any person becoming entitled to shares in consequence of death or in solvency of any member, upon producing such evidence as the Board thinks sufficient to prove his title to the state of the deceased member, may with the consent of the Board, be registered as member in respect of such shares.

Provided that in case where such nominee is not a producer, the Board shall direct the surrender of share together with special rights if any to the company at par.

SURRENDER OF SHARES

14. Where the Board is satisfied that-

- (c) Any member has ceased to be a primary producer, or
(d) Any member has failed to retain his qualification to be a member as specified in the Articles, the Board shall direct the surrender of shares together with special right if any to the company at par value.

Provided that the Board shall not direct such surrender of shares unless the member has been served with a written notice and given an opportunity of being heard.

BORROWING POWERS

15. The board may raise funds by borrowings subject to the provisions of sections 293 (1) (d) of the company Act 1956.

LOANS AND ADVANCES






16. The Board may provide financial assistance to the members subject to the provisions of Section 581ZK of the Act.


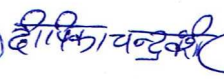



GENERAL MEETINGS

17. In each year the company shall hold in addition to any other meetings a general meeting as its annual general meetings and shall specify the meeting as such in the notices calling it and not more than 15 months (or such other extended period as may be permitted by the registrar) shall elapse between the date of one annual general meeting and that of the next.
18. The first special general meeting of the company shall be held within a period of 90 days from its incorporation, in which the members shall adopt the articles of the company and appoint its directors.
19. The quorum of the general meeting shall be one-fourth of the total membership of the company. All resolutions other than the special resolution put to the meetings shall in the first instance be decided by show of hands. A poll shall be taken only if ordered by the Chairman of the day's meeting of his own motion or only if demanded in the manner laid down in section 107 of the Act.
20. Every annual general meeting shall be called, for a time during business hours, on a day that is not a public holiday and shall be held at the registered office of the producer company or at some other place within the city, town or village in which the registered office of the company is situated.
21. A General meeting of the company shall be called by giving not less than 14 days prior notice in writing.
22. The notice of the general meeting indicating the date, time and place of the meeting shall be sent to every member and auditor of the company.

BOARD OF DIRECTORS

23. The company shall be administered by a Board of Directors consisting of persons elected or appointed as director in the manner consistent with the provision of part IXA of the Companies Act and board shall be accountable to the members.
24. The number of members of directors shall not be less than five and not more than fifteen.

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CHIEF EXECUTIVE

25. A Chief executive officer shall be appointed to look after day-to-day matters in terms of section 581 (W) of the Act 1956 and he need not be a director but shall be an ex-officio member on the board.

DIRECTORS

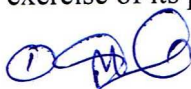


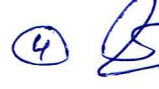





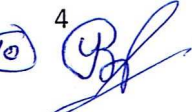
26. The following persons shall be the first Directors of the Company;
1. MAHENDRA KUMAR SINHA
 2. SUSHMA SAHU
 3. BHUPENDRA SINGH BELCHANDAN
 4. TULSI RAM DESHMUKH
 5. NETRAM DESHMUKH
27. Shall be designated as the First Directors of the Company till a Board is elected in a general meeting held as per section 581P (2) within in 90 days of registration of the Company. However the Board has powers to appoint additional directors/ Expert directors as per the provisions of Section 581P (6) of the Companies Act.

RETIREMENT OF DIRECTORS

28. A Director may be removed before the expiry of his term of office as per the provisions of Section 169 of the Companies Act.
29. Any casual vacancy in the board may be filled by the Board and to hold office upto the next Annual General meeting.

POWERS OF DIRECTORS

30. In addition to the general powers conferred on directors by section 179 of the Act they shall have the following specific powers.
- (a) Determination of the dividend payable;
 - (b) Determination of the quantum of with-held price and recommend patronage to be approved at general meeting.
 - (c) Admission of new members.
 - (d) Pursue and formulate the organizational policy, objectives, establish specific long term and annual objectives and approve corporate strategies and financial plans.
 - (e) Appointment of chief executive and such other officers and employees of the company.
 - (f) Exercise superintendence, direction and control over chief executive and other officers appointed by it;
 - (g) Cause proper books of accounts to be maintained; prepare annual accounts to be placed before the Annual General Meeting with auditor's report and replies on qualifications if any made by the auditors;
 - (h) Acquisition and disposal of property of the company in its ordinary course of business;
 - (i) Investment of the funds of the Company in the ordinary course of its business.
 - (j) Sanction any loan or advance in connection with the business activities of the company to any member, not being a director or his relative.
 - (k) Take such other measures or do such acts as may be required in his discharge of its function or exercise of its powers

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ACCOUNTS AND AUDIT

31. The Board shall cause to be maintained proper books of account as required by section 581ZE of Part IXA of the Companies Act. All specific requirements of the Act in regard to the preparation and auditing of the balance sheet and profit and loss account and filing such accounts with the required authorities shall duly be complied with.

LIMITED RETURN

32. Save as provided in the Act and Articles, there shall be limited return on share capital.

LOANS TO MEMBERS.

33. 49. The Board may provide financial assistance to the members subject to the provisions of section 581ZK of the Act.

DISTRIBUTION OF SURPLUS

34. The surplus arising out of the operations of the company shall be distributed in an equitable manner by
- Providing for the development of the business of the company
 - Providing for the education of members, employees and others on the Principles of Mutuality.
 - Distributing among the members, as may be admissible in proportion to their respective participation in business, as bonus either in cash or by way of allotment of bonus shares in the company.
35. Every member shall be eligible for the patronage bonus based on the total primary produce he/she supplied to the company. The amount of patronage bonus shall be decided by the board of Directors. Whether to declare a patronage bonus in a particular year shall be absolute discretion of the Board. The patronage bonus shall be divided or apportioned among members; as may be calculated by the Board.
36. The Company may create and maintain general or other reserves to which shall be credited such amounts out of the profit of the Company as the board may think proper.

INVESTMENTS

37. The reserves of the company shall be invested to secure the highest returns available from approved securities, fixed deposits, units, bonds issued by the government or co-operative or scheduled bank or in such other mode as may be prescribed by the Act. The company may for promotion of its objectives acquire the shares of another Producer Company.
38. The company may subscribe to the share capital of or enter into any agreement or other arrangement, whether by way of formation of its subsidiary company, joint venture or in any other manner with anybody corporate, for the purpose of promoting the objects of the company by special resolution.
39. The investment in shares as per clause 47 and 48 shall be subject to section 581ZL (4) of the Act.
40. The Board may with the previous approval of members by a special resolution dispose of any of the investments referred to in clause 47 and 48 days prior notice in writing.

WITHHELD PRICE

41. The company may withhold a portion not exceeding 10 percent of the value of the produce or products pooled from members. Such withheld price may be determined by the Board from time to time and distribute to the members at such intervals as may be decided by the Board.

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SPECIAL USER RIGHTS

42. The Board may provide special user rights to active members and the company may accordingly issue appropriate instruments to the members in respect of such special rights.
43. A member who transacts with the company for a value not less than Rs. 10000/- a year shall be considered as active member.

BONUS SHARES

44. The company may upon recommendation of the Board and passing a resolution in general meeting issue bonus shares by capitalization of amounts from general reserve or special reserves in proportion to the shares held by the members.

WINDING UP

45. Subject to the provisions of the Act, in the event of the Company being wound up the surplus assets, if any shall be distributed among members ratably.

SECRECY CLAUSE

46. No member without the permission of the Board of Directors, shall be entitled to visit or inspect the Company's work or to require any details or information regarding the manufacturing or trading of the Company, or any matter which is or may be in the nature of a trade secret or process and which in the interest of the members of the Company's is not desirable to communicate to the public.


ARBITRATION CLAUSE

47. All disputes arising out of or in connection with the incorporation, management, appointment of directors, transfer of shares, Memorandum of Association, Articles of Association, Directors, right of pre-emption, other clauses of the MOA and AOA of the Company and between the members or between members and directors shall be referred to and shall be settled according to The Indian Arbitration and Conciliation Act, 1996 as amended from time to time and the rules made there under. The disputes shall be referred to a sole arbitrator to be appointed by the Board of Directors of the Company.

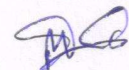
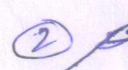
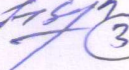
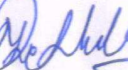

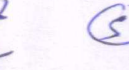
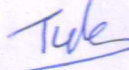


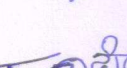


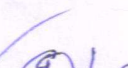



AMENDMENT

48. Any of these articles may be amended or new articles added as per the provisions of Section 581-I of the Companies Act 1956,

We, the several persons, whose name and address are subscribed, are desirous of being formed into a company in pursuance of this memorandum of association, and we respectively agree to take the number of shares in the capital of the company set against our respective names-

S. No	Name, Addresses, Description and Occupation of Subscribers and PAN	No. of shares taken by each Subscriber	Signature of Subscriber	Signature, Name, Addresses, Description and Occupation of Witnesses
1.	Mahendra Kumar Sinha Add: Vill- Thanod, Ward No-15, Dist - Durg, Chhattisgarh -491001 Occupation- Agriculture	1000		"I witness to subscribers, who have subscribed and signed in my presence, further



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2.	Bhupendra Singh Belchandan Add: Near Hitendra Kirana Stores, Ward No. 64, Newai , Bhilai Nagar, Durg, C.G- 491001 Occupation- Agriculture	1000		<p>I have verified their identity details (ID) for their identification particulars as filled in” Common witness for all the subscribers’ no. 1 to 10.</p> <p>CA. Gulshan Verma Proprietor</p> <p>M/sGulshan Verma and Associates</p> <p>Gnaga Plaza, Bhakti Marg, Moti Para, Durg (C.G.) – 491001 Place : Durg Dated-20/03/2020 : M. No. 446030</p> <p>“I witness to subscribers, who have subscribed and signed in my presence; further I have verified their identity details (ID) for their identification particulars as filled in” Common witness for all the subscribers’ no. 1 to 10.</p> <p>CA. Gulshan Verma Proprietor</p> <p>M/sGulshan Verma and Associates</p> <p>Gnaga Plaza, Bhakti Marg, Moti Para, Durg (C.G.) – 491001 Place : Durg Dated-20/03/2020 : M. No. 446030</p>
3	Netram Deshmukh Add: Vill. Anjora, Post- Thanod, Durg, Chhattisgarh -491001 Occupation- Agriculture	1000		
4	Sushma Sahu Add: Village Pauwara, Post Pauwara, Durg, Chhattisgarh – 491001 Occupation- Agriculture	1000		
5	Tulsi Ram Deshmukh Add: Vill. Changori, Post- Thanoud, Durg, Chhattisgarh -491001 Occupation- Agriculture	1000		
6	Ravindra Kumar Verma Add: 39, Verma Bhawan, Newai Para, Utai, Chhattisgarh – 491107 Occupation- Agriculture	1000		
7	Deepika Add: H No. 142, Villege, Changori Pos Anjora, Durg, Chhattisgarh – 491001 Occupation- Agriculture	1000		
8	Dhanendra Kumar Add: Thanaud Anjora, Ward No 15, Durg Chhattisgarh – 491002 Occupation- Agriculture	1000		
9	Lata Sonavani Add: H No 666/2 Shitla Nagar, Utai, Bhilai, Durg, Chhattisgarh – 491107 Occupation- Agriculture	1000		
10	Pradeep Kumar Add: H. No-0, Bhatapara, Dumerdih Utai, Utai, Durg, Chhattisgarh – 491107 Occupation- Agriculture	1000		

Dated: 25th May of 2020

Place - Durg

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