

Sr. No.	Name, address, description and occupation of the subscribers	No. of shares taken by each subscriber	Signature of subscriber	Witness and sign with address, description and occupation
1.	B. S. Ojha S/o Sh. Bas Dev Ojha H. No. 15, Sec. 7, Chandigarh Government Service	One	Sd/-	Sd/- Anil K.Kalia S/o Sh. Krishan Kumar Chartered Accountant M/s Kalia Gupta & Associates Chartered Accountants S.C.O. 133-53, Sector 17-C, Chandigarh
2.	T. D. Jogpal S/o Sh. Harphool Singh H.No. 301, Sec. 16, Chandigarh Government Service.	One	Sd/-	
3.	Gurnam Singh S/o Sh. Harmel Singh H.No. 506, Sec. 16, Chandigarh Government Service	One	Sd/-	
	Total	Three (3)		

Chandigarh
11-11-19

**ARTICLES OF ASSOCIATION
OF
HARYANA FOREST DEVELOPMENT CORPORATION LIMITED**

PRELIMINARY

1. In these articles unless there be something in the subject or context inconsistent therewith:-

Definition

- (i) 'The act' means the Companies Act, 1956 (I of 1956) or Act or Acts for the time being in force concerning joint stock companies and governing the Companies.
- (ii) 'The Board of Directors' or 'the Board' means the Board of Directors for the time being of the Company.
- (iii) 'The Chairman' means the Chairman of the Board of Directors for the time being of the Company.
- (iv) 'The Company' means Haryana Forest Development Corporation Limited- a Government Company.
- (v) 'Dividends' includes bonus.
- (vi) 'The Directors' means the Director for the time being of the Company.
- (vii) 'The Government' means the Government of Haryana State.
- (viii) 'In writing' and 'Written' include printing, lithography and other modes of reproducing words in a visible form.
- (ix) 'Month' means calendar month.
- (x) 'Member' means the duly registered holder, from time to time, of the share of the Company.
- (xi) 'The Office' means the Registered Office for the time being of the Company.
- (xii) 'Person' includes corporations as well as individuals.
- (xiii) 'The Register' means the Register of members to be kept pursuant to the Act.
- (xiv) 'Regulations' of the Company means the regulations for the time being in force for the management of the Company.

(xv) 'Shares' means the shares or stock into which the capital is divided and the interest corresponding with such shares or stock.

(xvi) 'Seal' means the Common Seal for the time being of the Company and as regards the transaction of the business of the Company outside India, the official Seal which shall be used in accordance with the provisions of the Companies Act, 1956.

2. The Regulation contained in Table 'A' in the first schedule to the Act are hereby adopted, except in so far as they are excluded, added to or modified herein, as the regulations for the management of the Company. The following articles in table 'A' are specifically excluded :

Proviso to Article No. 23(I) 56, 65, 66, 76, 81 and 84. The marginal notes and catch lines here to shall not effect the construction thereof.

Table 'A' to
Apply

PRIVATE COMPANY

3. The Company is a Private Company and accordingly:-

(i) The number of members for the time being of the Company, subject to section 3(I)(iii) of the Act, is limited to fifty.

(ii) Any invitation is to the public to subscribe for any shares in, or debentures of, the Company are hereby prohibited.

(iii) The right to transfer shares shall be restricted as hereinafter provided.

Private
Company

SHARE CAPITAL

4(a) The authorised share capital of the Company is Rs. _____ divided into _____ equity shares of Rs. _____ each. The Company may increase its share capital by such amount as it may think expedient by issuing new shares in the manner prescribed in the Act subject to the provisions in the Act and these articles and to the direction of the Governor.

(b) The shares shall be under the control of the Board of Directors who may allot or otherwise dispose of the same of such persons on such terms and conditions as it may think fit.

Allotment
of Shares

CALLS ON SHARES

5. The Board shall have full discretion to fix the amount of each sum called in respect of a share and to determine the interval between two calls.

6. The Board may from time to time fix rate of interest to be paid on calls not paid, and at its discretion extend the time fixed for payment of any call.

Directors may
make Calls

TRANSFER AND TRANSMISSION OF SHARES

7. 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 approved by the Board.
 - (b) Subject to Section-3 of the Act and subject as aforesaid, the Directors may in their absolute discretion refuse to register any proposed transfer of shares.

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, not with standing that the Company may have had notice of such equitable right title or interest or notice prohibiting registration of such 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.

Transfer and transmission of Shares

FORFEITURE OF SHARES

9. In partial modification of Article 29 of Table 'A' a notice of forfeiture of shares for failure to pay any call may also require the payment of all expenses that may have been incurred by the Company by reason of such non- payment.
10. The forfeiture, of a share shall involve extinction, at the time of 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.

Notice for forfeiture

Effect of forfeiture

ALTERATION OF CAPITAL

- 11(a) Subject to the approval of the Government, Directors may with sanction of the Company in General Meeting, increase the Share Capital by such sum, to be divided into shares of such amount as may be specified in the resolution.
- (b) 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 such rights and privileges annexed thereto as the Company may in its General Meeting direct and if no such directions be given as the Directors shall determine;

Power to increase capital.

Provided that no shares (not being preference shares) shall be issued carrying voting rights in the Company as to dividend, capital or otherwise which are disproportionate to the rights attaching to holders of other shares (not being preference shares).

12. The resolution, referred to in Article 45 of Table 'A' whereby any share is subdivided, may determine that as between the holders of the shares resulting from such subdivisions, one or more of such shares shall have same preference or special advantage as regards dividend, capital, voting or otherwise over or as compared with the other or others.

Sub-division into preferred and ordinary

BORROWING POWERS

13. Subject to the provisions of Section 58A and 292 of the Act, the Board of Directors may, from time to time at its discretion, 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.

Power to borrow

14. The payment or repayment of moneys borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit, and in particular by a resolution passed at a meeting of the Board (and not by resolution by circulation) by mortgage or charge of or by the issue of debentures or debenture stock of the Company (both present and future) including its uncalled capital for the time being, and debentures, debenture stock and other securities may be made assignable free from any equities between the Company and the person to whom same may be issued.

The payment and repayment of moneys borrowed.

15. If any uncalled capital of the Company is included in or charged by any mortgage or other security, the Directors may by instrument under the Company's seal authorise the person in whose favour such mortgage or security is executed to any other person in trust for him to make calls on the members in respect of such uncalled capital and such authority may be made exercisable either presently or contingently and either conditionally or unconditionally and shall be assignable if expressed so to be and the provisions in regard to calls herein before contained shall mutatis mutandi apply to call made or to be made on such authority.

Charges on uncalled capital

- 16(a) Any debenture or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into share of any denomination and with any privileges and conditions as to redemption, surrender, drawings, allotment of shares and attending (but not voting) at General Meetings, appointment of Directors and otherwise. Provided that debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in General Meeting.

- (b) Whenever any uncalled capital of the Company is charged, all persons taking any subsequent charges thereon shall take 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.

Persons not to have priority over any prior charge.

GENERAL MEETINGS

17. Not less than twenty one days notice of every General Meeting shall be given in writing, provided a shorter notice may be given if consent is accorded thereto in accordance with Section 171 of the Act.
- 18(i) The Government so long as it is a share-holder of the Company, may from time to time, appoint such persons as it thinks fit (who need not be a member) to represent it at all or any meeting of the Company.
- (ii) A person appointed under sub-clause (i) of this Article shall, for the purposes of the Act, be deemed to be a member of the Company and shall be entitled to exercise that same rights and powers (including the rights to vote by proxy) as the Government could exercise as a member of the Company.
- (iii) The Government 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 Government under this article may appoint a proxy whether specially or generally.
- 19 On a poll, votes may be given either personally or by proxy or by duly authorised representative.
- 20 On show of hands every member present in persons or by proxy 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 other person or persons. Provided however, if any preference shares holder be present at any meeting of the Company, he shall have a right to only on resolutions placed before the meeting which directly affect the rights attached to his preference shares. The preference shares holder may vote on the resolutions only in the circumstances provided under Section 87(2) of the Act.

Notice for meeting

Right of Government to appoint any person as its representatives

Vote by proxy

Number of votes to which members entitled

BOARD OF DIRECTORS

- 21 The number of Directors of the Company shall be not less than two and more than twelve. The Directors shall not be required to hold any qualification shares.
- 22(i) The Directors including the Chairman and the Managing shall be appointed by the Government and shall be paid such salary and/or allowance as the Government may, from time to time, determine.
- (ii) The Government shall determine the period for which the Chairman and Managing Director are to hold their respective offices.

Number of Directors

Government to appoint Directors

(iii) By virtue of the provisions of clause (i) of this Article, read with sub section 7 (b) of Section 284 of the Act the Government shall have the power to remove any Director including the Chairman if any and the Managing Director from office at any time in their absolute discretion.

(iv) **The Government shall have the right to fill any vacancy in the office of the Directors caused by removal, resignation, death or otherwise.**

(v) In addition to any remuneration payable to them in pursuance of clause (i), the Directors may be paid such sum as the Board may fix from time to time for traveling and other expenses incurred by them:

(a) In attending and returning from meetings of the Board or any committee thereof of General Meeting of the Company, or

(b) In connection with the business of the Company.

23(i) Government may appoint any officer of the Haryana Government (preferably one who is a member of the Indian Forest Service (Haryana Cadre) and **holds the rank of Chief Conservator of Forest as Managing Director of the Company, for such as it** may deem fit and may remove him from this office and appoint another in his place.

Appoinement
of Managing
Director

(ii) The Managing Director shall be responsible 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 may be authorised by the Board to exercise such powers or discretion in relation to the affairs of the Company as are specifically delegated to him 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.

(iii) The Managing Director shall be paid such salary and allowances as may be fixed by the Government.

*24 The persons hereinafter named shall be the First Directors of the Company.

First Directors
Director

(1) Shri B. S. Ojha, IAS

(2) Shri T. D. Jogpal, IAS

(3) Shri Gurnam Singh, IFS

25 The Board may, from time to time, entrust to and confer upon a Managing Director for the time being, such of the powers exercisable under these article by the Directors/ Board as they may think fit, and may confer such powers for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions as they think expedient, and they may confer such powers either collaterally with, or to the exclusion of, and in substitution for, allot any of the powers of the Director in that behalf and may from time to time revoke, withdraw, after or vary all or any of such powers.

Power and
duties of
Managing
Director

*First Directors were deputed by name for the purpose of Registration of the Company. Later on State Government vide letter No. 3006-Ft-2-89/12987, dated 09.05.1989 decided that Administrative Secretaries to Government of Haryana, Finance Department and Forest Department and Principal Chief Conservator of Forests, Haryana by designation will be the First Directors of the Company.

26. The Managing Director will be the Chief Executive of the Company and 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 Managing Director subject to the Superintendence, control and direction of the Board of Directors of the Company.
27. The Managing Director may be authorised by the Board to sub- delegate such of his power 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 each sub-delegation.

General management in hands of Managing Director

Managing Director may sub-delegate

PROCEEDINGS OF THE BOARD

28. If no Chairman is appointed by the Government or if at any meeting the Chairman is not present within 10 minutes after the time for holding the same the Directors present may choose one their members to be Chairman of the meeting.
29. A meeting of the Board of Director for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions which by or under the Act or the Articles of the Company are for the time being vested in or exerciseable by the Board of Directors generally.
30. Subject to Section 313 of the Act and with approval of the Board may appoint an alternate Director to act for a Director (hereinafter in this Article called 'the Original Director') during the letter's absence for a period of not less than three months from the State. Such Director shall not hold office as such for a period longer than that permissible to the original Director. Such appointment shall have effect and such appointee whilst he holds office as an alternate Director, shall be entitled to notice of meeting of the Board and to attend and vote there at accordingly, but he shall not require any qualifications and shall ipso facto vacate office if and when the absent Director return to the State in which meeting of the Board are ordinarily held or the absent Director vacates office as a Director.
31. Subject to Section 289 of the Act, a resolution in writing signed by a majority of the members of the Board or a Committee, thereof, for the time being entitled to receive notice of the meeting of the Board or Committee, shall be as valid and effectual as if it had been passed at a meeting of the Board or Committee duly convened and held.

Chairman

Powers of Board Meeting

Powers to appoint alternate Director

Resolution by circulation

POWERS OF BOARD

32. Without prejudice to the general powers conferred by Section 291 and 292 of the Act and so as not in any way to limit or restrict those powers and without prejudice to the other powers conferred by these Articles, it is hereby declared that is to say, power:-
- (a) To authorise the undertaking of works of a capital nature subject to the condition that all cases involving capital expenditure exceeding Rs. 1,00,00,000 (Rupees one crore) shall be referred to the Government for approval before authorisation.

Certain powers of the Board