

**THE COMPANIES ACT, 1956**

**COMANY LIMITED BY SHARES**

**MEMORANDUM**

**AND**

**ARTICLES**

**OF**

**ASSOCIATION**

**OF**

**SAM POWER GENERATION CORPORATION LIMITED**

# THE COMPANIES ACT, 1956

## COMPANY LIMITED BY SHARES MEMORANDUM OF ASSOCIATION

OF

### ASSAM POWER GENERATION CORPORATION LIMITED

- I. The name of the Company is Assam Power Generation Corporation Limited.
- II. The registered office of the Company will be situated in the State of Assam.
- III. The objects for which the Company is established are: -
  - A. Main objects to be pursued by the Company on its incorporation:**
    1. To take over, operate, maintain, and use the existing electricity generation stations and assets of the Assam State Electricity Board (ASEB) under the transfer scheme to be notified by the Government of Assam in terms of the Electricity Act, 2003 and/or relevant State amendments/ enactments, as the case may be (hereinafter referred to as "Applicable Law"), and/or the electric generation stations owned or controlled by the Government of Assam or any Government Corporation or Authority or any other person, including any right, title or interest therein in the State of Assam or elsewhere.
    2. To acquire, establish, construct, erect, lay, operate, run, maintain, enlarge, alter, renovate, modernise, work and use in the state of Assam and elsewhere, electricity generating stations (including captive generating stations), projects associated and all things connected thereto including civil works, fuel, fuel supply, water, and waste storage, use and disposal systems, distribution centres, cables, wires, lines, accumulators, plant, motors, meters, apparatus, materials and things connected with the production, generation, use, storage, measurement, transmission, supply and distribution of the power.
    3. To supply bulk electricity to various entities including distribution companies and to other customers directly as envisaged under the Applicable Law.
    4. To carry on the business of importing, exporting, producing, trading, manufacturing or otherwise dealing in electric power.
    5. To coordinate, aid and advise on the activities of other companies and concerns including subsidiaries, associates, affiliates engaged in the generation of electricity on all matters concerning the design, establishment, operation and maintenance of electric generating stations, associated transmission and distribution systems and in the production, generation, use, storage, measurement, supply and distribution of power;
    6. To study, investigate, collect information and data, review operations, plan, research, design, prepare feasibility reports, prepare project reports, diagnose operational difficulties and weaknesses and advise on the remedial facilities and to undertake for and on behalf of others the setting up of electric power plants and generally work for the efficient and economic management of electric power and the optimum utilization of the resources available.
    7. To establish, augment, renovate, operate and maintain tie-lines, substations and dedicated transmission lines connected therewith in accordance with the provision of the Applicable Law.
    8. To act as a developer and promoter in developing, setting up, building, establishing and operating new electricity generating stations within the State of Assam or elsewhere.

**B. Objects incidental or ancillary to the attainment of the main objects :**

1. To enter into any arrangement with the Government of India or any Local or State Government or with Authorities, national, state, local, municipal or otherwise or with any person for the purpose of directly or indirectly carrying out the objects or furthering the interests of the Company or its members and to obtain from any such Government, State Authority or person any charters, subsidies, subventions, loans, indemnities, grants, contracts, decrees, rights, sanctions, privileges, licences or concessions whatsoever, (whether statutory or otherwise) which the Company may think it desirable to obtain and carry out, exercise and comply with the same.
2. To file tariff and other petitions before the State and Central Electricity Regulatory Commissions, and to levy and recover tariff as allowed by the regulator; to undertake various actions for seeking, obtaining and maintaining regulatory approvals from State and Central regulators for its activities. In this behalf, filing various documents, pleadings, petitions and affidavits; representing its case and taking other nec-essary steps to pursue its cases effectively.
3. To borrow or receive money or deposits for the purpose of financing the business of the Company either with security or mortgage or other security charged on the undertaking on all or any of the assets of the Company including uncalled capital and to increase, reduce or pay off any such securities.
4. To acquire by purchase, lease, exchange, hire or otherwise, or to construct and maintain factories, works, buildings, and conveniences of all kinds, lands, buildings, apartments, plants, machinery and hereditaments of any tenure or description, situated in India or in any other part of the world and any estate or interest therein and any rights over or connected with land so situated and turn the same to account in any manner as may seem expedient, necessary or convenient to the Company for the purpose of its business.
5. To acquire, possess and undertake the whole or any part of the business, as-sets, property, goodwill, rights and liabilities of any person, firm, society, association, corporation or Company carrying on any business which the Company is authorized to carry on and to set up special purpose vehicle, subsidiaries for the same.
6. To apply/ arrange for, obtain, amend, alter and maintain appropriate permissions, directions or orders in terms of the Applicable Laws for enabling the Company to carry out any of the objects of the Company or for any other purpose which may seem expedient; and to oppose any proceedings or application or any other endeavours, steps or measures which may seem calculated directly or indirectly to prejudice the Company's interests.
7. To establish, provide, maintain and conduct or otherwise subsidize research laboratories and experimental workshops for scientific, technical or researches, experiments and to undertake and carry on directly or in collaboration with other agencies scientific and technical research experiments and tests of all kinds and to process, improve and invent new products and their techniques of manufacture.
8. To promote, encourage, reward in every manner studies and research, scientific and technical investigations and inventions of any kind that may be considered likely to assist, encourage and promote rapid advances in technology, economies, import substitution or any business which the Company is authorized to carry on.
9. To establish, maintain and operate technical training institutions, and hostels for engineers of all types and other technical staff and artisans and mechanics of all types and kinds; to make such other arrangements as may be expedient for the training of all categories of officers, workers, clerks, store keepers and other personnel likely to be useful to or assist in any business which the Company is authorized to carry on.
10. To sell, improve, manage, develop, exchange, loan, lease or let, underlease, sub-let, mortgage, dispose of, deal with, turn to account or otherwise deal with any rights or property of the Company.

11. To accumulate funds and to invest un-borrowed moneys belonging to or lying with the Company and not immediately required in suitable securities and instruments of a reputed bank or financial institution, recognized by the Reserve Bank of India (RBI) in the best interest of the Company.
12. To enter into joint ventures partnerships, consortium or arrangement with any person or Company or body or authority, Indian or foreign including Government for sharing of investments, creation/ participation in funds, or sharing of profits, carrying on or engaged in any operation capable of being conducted conveniently in line with or in line with the business of the Company or to benefit of the Company or its activities.
13. To provide for the amelioration and welfare of persons employed or formerly employed by the Company and the wives, families, dependants or connections of such persons by building or contributing to the building of houses, dwellings or by grants of money, pensions; allowances, bonuses or other payments or by creating and from time to time subscribing or contributing to Provident Fund and other associations, institutions, funds or trusts or by helping persons employed by the Company to effect or maintain insurance on their lives by contributing to the payment of premium or otherwise and by providing or subscribing or contributing towards places of instruction and recreation, education to children, hospitals and dispensaries, medical and other attendance and other assistance as the Company shall think fit.
14. To sell or dispose of the undertaking of the Company or any part thereof for such consideration as the Company may think fit and in particular for shares, debentures or securities of any other association, corporation or company, to promote or aid in the promotion of any other company or partnership, for the purpose of acquiring all or any of the properties, rights or liabilities of the Company or for any other purposes which may seem directly or indirectly calculated to benefit the Company.
15. To promote, develop, implement and operate projects on 'Build Operate & Transfer', 'Build, Operate, Own & Transfer' and 'Build, Operate, Lease & Transfer' basis.
16. To enter into agreements and contracts for lease, hiring and/or purchase of equipment and for technical, financial, or any other assistance, for carrying out all or any of the objects of the Company.
17. To enter into contracts of indemnity and guarantee, to issue bonds, debentures, debenture stock, and other securities of all kinds and to frame, constitute and secure the same as may seem expedient, with full power to make them transferable by delivery or by instrument of transfer or otherwise, and either perpetual, terminable, redeemable or otherwise, and to charge or secure the same by trust deed or otherwise, on the undertakings of the Company or upon, any specific property and rights, present and future, of the Company or otherwise.
18. To establish and maintain agencies, subsidiaries, branches and local registers, to procure registration or recognition of the Company and to carry on business in any part of the world and to take such steps as may be necessary to give the Company such rights and privileges in any part of the world as are possessed by local companies or partnership or as may be thought desirable.
19. To subscribe for, underwrite, purchase, or otherwise acquire and to hold, dispose of and deal with the shares, stocks, securities and evidences of indebtedness or the right to participate in profits or other similar documents issued by any government authority, corporation or body or by any company or body of persons and any option or right in respect thereof out of surplus un-borrowed funds.
20. To create any depreciation fund, reserve fund, sinking fund, insurance fund, pension fund or any other fund, whether for depreciation or for repairing, improving, extending or maintaining any of the properties of the Company, or redeemable preference shares or for benefit of its employees or any other purposes whatsoever conducive to the interests of the Company.
21. To open an account or accounts with any banks or financial institutions recognized by the Reserve Bank of India and to pay into and withdraw money from such account or accounts.

22. To acquire shares, stocks or securities out of surplus un-borrowed funds in or of any company carrying on any business which this Company is entitled to carry on or of any other company or undertaking the acquisition of which may seem likely or calculated directly to promote or advance the interests of or be advantageous or beneficial to the Company and to sell or dispose of or transfer any such shares, stocks or securities.
23. To promote, organize or carry on the business of advisory and consultancy services in any field of activity in which it is engaged.
24. To obtain technical legal, financial, media and communication, training and human capacity building and managerial advisory services as appropriate in furtherance of its objects, to enter into agreements, contracts and Memoranda of Understanding for the same.
25. To promote or concur in the promotion of any company, which shall be considered desirable in furtherance of the object or any objects of the Company; to arrange, secure and make available to its subsidiary and other such organizations such facilities, resources, inputs and services as may be required.
26. To carry on any other business to optimally utilize its assets and expertise, as also to develop alternate revenue streams in conjunction with and pursuance of its main objects and activities, in connection with any of the Company's objects to enhance the value of or render profitable any of the Company's property, rights or interests.
27. Subject to all applicable regulations and laws to receive money, securities, valuables of all kinds on deposit or safe custody (not amounting to the business of banking as defined under the Banking Regulation, 1949), to issue share capital including preference shares and debentures, to issue bonds and to borrow any money and secure the repayment of any money borrowed or raised or owing by mortgage, charge or lien upon all or any of the Company's property (both present and future), stocks, debentures (perpetual or otherwise) including its uncalled capital and guarantee performance by the Company or any other such person or body corporate of any obligation undertaken by the Company or any other person or company, as the case may be.
28. Subject to provisions of sections 391 to 394 and 394A of the Companies Act, 1956 to evolve scheme for restructuring or arrangement, to amalgamate or merge or to enter into partnership or into any arrangement for sharing profits, union of interests, co-operation, joint venture of reciprocal concession with any person or persons, partnership firm/firms, or company carrying on or engaged in any business or transaction which the company is authorised to carry on or engage in.
29. To distribute any of the property of the Company in specie or otherwise among the members, in the event of winding up, subject to the provisions of the Companies Act, 1956.
30. To exercise all powers and functions vested under the Applicable Law, including steps/activities:-
  - (a) to secure safety of its plants and associated installations/equipment;
  - (b) to undertake various works related to generation and supply of electricity;
  - (c) to maintain, operate, augment, renovate and keep in good condition its generating plants and the associated evacuation system;
  - (d) to take, retain and adjust securities to cover for payment against its power purchase;
  - (e) to install, repair, replace, check and read electric meters, as also to prescribe/install protective devices; and
  - (f) to ensure compliance with applicable regulations and Grid Code.
31. To invest the surplus un-borrowed funds of the Company, in securities as may from time to time, be

determined by the directors and from time to time, to sell or vary all such investments and to execute all assignments, transfers, receipts and documents that may be necessary in that behalf.

32. Generally to do all such other things as may be deemed incidental or conducive to the attainment of the above objects or any of them.

**IV. The liability of the members is limited**

- V. The Share capital of the Company is Rs.1000,00,00,000/-(Rupees One thousand Crores only) divided into 1000,00,000 (one thousand lakh) Equity shares of Rs. 100/- (Rupees one hundred) each, with the rights, privileges and conditions attaching thereto as are provided by the regulations of the Company for the time being. The Company has power from time to time to increase or decrease its capital and to divide the shares in the original or increased capital for the time into several classes and to attach thereto such preferential rights, privileges or conditions as may be determined by or in accordance with the regulations of the company and to vary, modify or abrogate any such rights, privileges or conditions as may be permitted by law.

We the several persons, whose names and addresses 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 opposite our respective names:-

Sl. No	Name of subscriber, address, description and occupation, if any	No. of Equity shares taken by each sub-scriber	Signature of sub-scriber	Signature of witnesses and their addresses, description and occupation, if any
1.	Governor of Assam through Shri Pramod Kumar Chowdhary, IAS, S/o Late Jai Narain Chowdhary, Commissioner & Secretary to the Govt. of Assam, Power etc. Department Dispur, Guwahati-781 006 Occupation : Service	5,000 (Five thousand)	Sd/-	<p>Witnesses to the signatures of all Subscribers. Sd/- Shri Chandan Kumar Dowerah S/o Late Satya Kumar Diwerah P.D. Chakrabarti Road, Silpukhuri, Guwahati - 781003 Company Secretary in Practice)</p>
2.	Shri Jitesh Khosla, IAS S/o Shri Lajpat Rai Khosla, Chairman, ASEB, Bijulee Bhawan, Guwahati-1 Occupation : Service	1 (one)	Sd/-	
3.	Shri Khogendra Nath Buragohain, IAS S/o Late Motiram Buragohain, Member (Personnel), ASEB, Bijulee Bhawan Guwahati - 781 001 Occupation : Govt Service	1 (one)	Sd/-	
4.	Shri Pinuel Basumatary, IA & AS S/o Shri Christodas Basumatary Member (Finance), ASEB Bijulee Bhawan, Guwahati - 781 001 Occupation : Service	1 (one)	Sd/-	
5.	Shri Indreswar Hazarika S/o Late Padum Chandra Hazarika Chief Engineer (RE), ASEB Narengi, Guwahati - 781 026 Occupation : Service	1 (one)	Sd/-	
6.	Shri Monoranjan Sarma S/o Late Sarat Chandra Sarma OSD (Reform), ASEB Bijulee Bhawan, Guwahati-781 001 Occupation : Service	1 (one)	Sd/-	
7.	Shri Girindra Mohan Das S/o Late Ananta Mohan Das Chief Engineer (T&T), ASEB Bijulee Bhawan, Guwahati-781 001 Occupation : Service	1 (one)	Sd/-	
8.	Shri Himadri Dutta S/o Late Hirendra Sankar Dutta Chief Engineer (Generation), ASEB Bijulee Bhawan, Guwahati-781 001 Occupation : Service	1 (one)	Sd/-	
9.	Shri Prasanta Jyoti Borkotoky S/o Late Gobinda Prasad Borkotoky Chief Engineer (Distribution), ASEB Bijulee Bhawan, Guwahati-781 001 Occupation : Service	1 (one)	Sd/-	
TOTAL		5,008 (Five thousand and eight)		

PLACE : Guwahati

Dated, the 22nd October, 2003

# THE COMPANIES ACT, 1956

## COMPANY LIMITED BY SHARES

### ARTICLES OF ASSOCIATION

OF

## ASSAM POWER GENERATION CORPORATION LIMITED

(A) In the interpretation of the Memorandum of Association and these Articles the following expressions shall have the following meanings, unless repugnant to the subject or context.

"The Act" or "the said Act" means "The Companies Act, 1956" as amended upto date or other Act or Acts for the time being in force in India containing the provisions of the legislation in relation to Companies.

"The Board" or the "Board of Directors" means collectively the Directors of the Company.

"Capital" means the Share capital for the time being raised or authorized to be raised for the purpose of the Company.

"Chairperson" means the Chairperson of the Board of Directors for the time being of the Company.

"The Company" or "this Company" or "the Corporation" means "Assam Power Generation Corporation Limited."

"Directors" mean the directors for the time being of the Company.

"Dividend" includes bonus Shares.

"Executor" or "Administrator" means a person who has obtained Probate or Letters of Administration, as the case may be from the competent court.

"Government Corporation" means (i) a corporation established by the Government under any law in force for the time being; and (ii) a Government Company as defined in the Act.

"Managing Director" means the Managing Director, appointed as such by the Board of Directors.

"Month" means a calendar month.

"ASEB" means the Assam State Electricity Board constituted for the State of Assam under Section 5 of the Electricity (Supply) Act, 1948.

"Office" means the registered office for the time being, of the Company.

"Persons" includes body corporate as well as the singular number.

"Register" means the Register of Members to be kept pursuant to the Act.

"Registrar" means the Registrar of Companies of the State in which the Registered Office of the Company is situated.

"These Articles" or "These Regulations" means these Articles of Association as originally framed or altered from time to time and include the Memorandum where the context so requires.

"Seal" means the Common Seal for the time being of the Company.



"Share(s)" means the Share(s) or stock into which the Capital is divided and the interest corresponding with such Share(s) or stock.

"Writing" shall include printing and lithography and any other mode or modes of representing or reproducing words in a visible form.

- (b) Words importing the plural number also include the singular number and vice- versa.
  - (c) Words importing the masculine gender also include the feminine gender.
  - (d) Subject as aforesaid any words or expression defined in the Act shall, except where the subject or context forbids, bear the same meaning in these Articles.
  - (e) The Marginal notes hereto shall not effect the construction thereof.
2. The Regulations in Table "A" in the First Schedule to the Act, shall apply to the Company, subject to the provisions contained herein and in case of inconsistencies between these Articles and the provisions of Table "A" in regard to any matter, the provisions of these Articles will prevail.
  3. Subject to the provisions of the Act, these Articles shall govern the management of the Company and its relationship with its shareholders/members and any interpretation or construction of these Articles shall be in consistence with the provisions of the Act.
  4. The Company is a Public Limited Company.

#### **CAPITAL AND SHARES**

5. The Share Capital of the Company shall be as provided in the Memorandum of Association with powers to the Company to increase or decrease its Capital, from time to time and to divide the Shares in the original or increased Capital into several classes and to attach thereto such preferential rights, privileges or conditions and to vary, modify or abrogate any such rights, privileges or conditions as may be permitted by law.
6. Subject to the provisions of the Act and these Articles, the un-issued Shares of the Company shall be under the control of the Board of Directors who may allot or otherwise dispose of the same.

#### **CERTIFICATES**

7. Every person whose name is entered as a member or debenture holder in the Register of members or Register of Debenture-holders shall, without payment, be entitled to a certificate under the common seal of the Company specifying Share(s) or debenture(s) held by him and the amount paid thereon. Share/Debenture certificates shall be issued on application in marketable lots and where Shares/debenture certificates are issued for either more or less than the marketable lots, sub-division or consolidation into marketable lots shall be done free of charge within one month from the date of lodgement thereof. Any two or more allottees of a Share/debenture shall for the purpose of this Article be treated as a single member and the Share/debenture certificate may be delivered to any one of such joint-owners on behalf of all of them.
8. If a Share certificate/debenture certificate is defaced, lost or destroyed, torn, decrepit, worn out or where the cages on the reverse for recording transfers have been fully utilized, a new Share/debenture certificate shall be issued free of charge, but on such terms, evidence and indemnity and payment of the expenses incurred by the Company, as the Directors may think fit.

#### **INCREASE, REDUCTION AND ALTERATION OF CAPITAL**

9. Subject to the provisions of the Act, the Company at a general meeting may increase the Share Capital by such sum to be divided into Shares of such amount as the resolution shall prescribe.
10. Subject to the provisions of the Act 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.

11. The new Shares (resulting from an increase of Capital as aforesaid) may be issued or disposed of in accordance with the provisions of Article 6.
12. Except so far as otherwise provided by the conditions of issue or by these Articles, any Capital raised by the creation of new Shares shall be considered part of the original Capital and shall be subject to the provisions here-in contained with reference to the payment of calls and instalments, transfer and transmission, forfeiture, lien, surrender, voting and otherwise.
13. Subject to the provisions of Section 77A, 100 to 104 of the Act, the Company may, from time to time, by special resolution, reduce its Capital by paying off Capital (by way of buy-back or any other manner) or cancelling Capital which has been lost or is unrepresented by available assets or is superfluous or by reducing the liability on the Shares or otherwise as may deem expedient, and Capital may be paid off upon the footing that it may be called upon, again or otherwise, and the Board may, subject to the provisions of the Act, accept surrender of Shares.
14. Subject to the provisions of the Act, 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 Sub-Section (1) (a) to (e) of Section 94 of the Act, and shall file with the Registrar such notice in exercise of any such powers as may be required by the Act.
15. Subject to provision of section 76 of the Act, the Company may at any time pay a commission to a person in consideration of his subscribing or agreeing to subscribe whether absolutely or conditionally for any Shares or debentures in the company, but so that the commission shall not exceed, in the case of Shares five percent of the price at which the Shares are issued and in case of debentures two and a half percent of the price at which the debentures are issued. Such commission may be satisfied by payment of cash or allotment of fully or partly paid Shares/debentures or partly in one way and partly in the other.
16. The company may pay a reasonable and lawful sum of brokerage to any person for procuring or agreeing to procure subscription to the Shares or debenture or any other security issued or proposed to be issued by the Company.

### **TRANSFER AND TRANSMISSION OF SHARES**

17. The Company shall keep a book to be called the "Register of Transfers" and therein shall distinctly enter the particulars of every transfer or transmission of any Share.
18. The instrument of transfer shall be in writing and all the provisions of Section 108 of the Act and of any statutory modification thereof for the time being as well as the provisions of these Articles shall be duly complied with in respect of all transfers of Shares and the registration thereof.
19. The Company shall not register a transfer of Shares in the Company unless a proper instrument of transfer duly stamped and executed by or on behalf of transferor and by or on behalf of the transferee and specifying the name, address and occupation, if any, of the transferee has been delivered to the Company along with the certificate relating to the Shares, or if no such Share certificate is in existence, along with the letter of allotment of the Shares: Provided that where on an application in writing made to the Company by the transferee and bearing the stamp required for an instrument of transfer and it is proved to the satisfaction of the Board that the instrument of the transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit: Provided further that nothing in this Article shall prejudice any power of the Company to register as a shareholder any person to whom the right to any Shares in the Company has been transmitted by operation of law.
20. Subject to Section 111 and other provisions of the Act and other applicable laws, the Board may

refuse to register the transfer of Shares in cases where:

- (a) The instrument of transfer is not proper or has not been duly stamped and executed or that the certificate relating to the Shares has not been delivered to the Company or that any other requirement under the law relating to registration of such transfer has not been complied with;
  - (b) The transfer is in contravention of any law;
  - (c) The transfer is prohibited by any order of any court, tribunal or other authority under any law for the time being in force; and
  - (d) for any other reasons in accordance with the law for which the Board is entitled to refuse to register the transfer. The registration of any transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person indebted to the Company on any account whatsoever except a lien in connection with partly paid up Shares, but restricted to money called or payable at a fixed time in respect of such Shares.
21. (a) Every instrument of transfer shall be signed both by or on behalf of the transferor and by or on behalf of the transferee and the transferor shall be deemed to remain the holder of such Shares until the name of the transferee is entered in the Register of Members in respect thereof.
- (b) An application for the registration of a transfer of Shares in the Company may be made either by the transferor or by the transferee;
- (c) Where the application is made by the transferor and relates to partly paid Shares the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within 2 weeks from the receipt of the notice.
- (d) For the purposes of sub-paragraph (c) above notice to the transferee shall be deemed to have been duly given if it is despatched by registered post to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.
- (e) Transfer of a Share of a deceased member made by his legal representative shall although the legal representative is not himself a member, be as valid as if he had been a member at the time of the execution of the instrument of transfer.
- (f) Subject to the provisions of Section 154 of the Act, the registration of transfers may be suspended at such times and for such periods, not exceeding in the aggregate 45 days in each year and not exceeding 30 days at any one time, as the Board may from time to time determine.
22. The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Board had declined to register shall on demand be returned to the persons depositing the same. The Board may cause to be destroyed all instruments of transfer lying with the Company for a period of more than 8 years.
23. In the case of the death of a member, the survivor or survivors where the deceased was a registered joint holder of any Share, and the executor or administrator of a deceased member or a holder of a succession certificate where he was the sole or only surviving holder, shall be the only person recognised by the Company as having any title to such Share and the Company shall not be bound to recognise such executor or administrator unless he shall have first obtained Probate or Letter of Administration, as the case may be, from a duly constituted court in India; provided that in any case where the Board in its absolute discretion thinks fit, the Board may dispense with the production of Probate or Letter of Administration or a succession certificate and, under the next article, register as member any person who claims to be absolutely entitled to the Share standing in the name of the deceased member.

Subject to the provisions of the Act and these Articles, any person becoming entitled to a Share in consequence of the death, lunacy, bankruptcy or insolvency of any member, or by any lawful means other than a transfer in accordance with these presents, may with the consent of the Board (which it shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of his title as the Board thinks sufficient either be registered himself as the holder of the Share or elect to have some person nominated by him and approved by the Board registered as such holder; provided nevertheless that if such person shall elect to have his nominee registered, he shall testify to the election by executing to his nominee an instrument of transfer of the Share in accordance with the provisions herein contained, and until he does so, he shall not be freed from any liability in respect of the Share.

25. (1) Every transmission of a Share shall be verified in such manner as the Board may require and the Company may refuse to register any transmission until the same be so verified or until and unless an indemnity be given to the Company with regard to such registration which the Board at its discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Board to accept any indemnity.
- (2) Subject to the provisions of the Act and these Articles, the Board shall have the same right to refuse to register transferee entitled by transmission to any Shares or his nominee as if he were the transferee named in any ordinary instrument of transfer presented for registration.
26. The Company shall incur no liability or responsibility whatsoever in consequence if 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 of members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same Shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting the registration of such transfer and may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting to do so, though it may have been entered or referred to in some books of the Company, but the Company shall nevertheless be at liberty to regard or attend to any such notice and give effect thereto, if the Board shall think fit.
27. The provisions of Articles 17 to 26 shall mutatis mutandis apply to the transfer or transmission by operation of law in debentures of the Company.

### **CONVERSION OF SHARES INTO STOCK**

28. The Company may by an ordinary resolution convert any paid up Shares into stock and reconvert any stock into paid up Share(s) of any denomination.
29. The holders of stock may transfer the same or any part thereof in the same manner and subject to the same regulations under which, the Shares from which the stock arose might before the conversion have been transferred or as near thereto as circumstances admit, provided that the Board may from time to time fix the minimum amount of stock transferable so that such minimum shall not exceed the nominal amount of the Shares from which the stock arose.
30. The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company and other matters as if they held the Shares from which the stock arose, but no such right, privilege or advantage (except participation in the demands and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in Shares, have conferred that right, privilege or advantage.
31. Such of the regulations of the Company as are applicable to paid up Shares shall apply to stock and the words "Share" and "shareholder" in those regulations shall include "stock" and "stockholder" respectively.

## JOINT HOLDERS

32. Where two or more persons are registered as the holders of any Share they shall be deemed to hold the same as joint tenants with benefits of survivorship subject to the following and other provisions contained in these Articles:
- (1) The Company shall be entitled to decline to register more than four persons as the joint holders of any Share;
  - (2) The joint holders of any Share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such Share
  - (3) In case of the death of any joint holder the survivor or survivors shall be the only person recognised by the Company as having any title to the Share, but the Directors may require such evidence of death as they may deem fit and nothing herein contained shall be taken to release the estate of deceased joint holder from any liability on Shares held by him jointly with any other person.
  - (4) Any one of such joint holders may give effectual receipts for any demands or other money payable in respect of such Share.
  - (5) Only the person whose name stands first in the Register of members as one of the joint holders of any Shares shall be entitled to the delivery of the certificate relating to such Share or to receive documents (which expression for this purpose shall be deemed to include and shall include any summons, notice, report, requisition, process, order, judgment or any other document in relation to or in the winding up of the Company or any meeting of the Company) from the Company and any document served on or sent to such person shall be deemed served on or sent to all the joint holders.
  - (6) Any one of joint holders may vote at any meeting either personally or by an attorney duly authorised under a power of attorney or by proxy in respect of a Share as if he were solely entitled thereto and if more than one such joint holders be present at any meeting personally or by an attorney or by proxy, that one of such persons so present whose name stands first or higher (as the case may be) on the Register of Members in respect of such Share shall alone be entitled to vote in respect thereof, provided always that a joint holder present at any meeting personally shall be entitled to vote in preference to a any other joint holder present by an attorney duly authorised under power of attorney or by proxy although the name of such other joint holder present by an attorney or by proxy stands first or higher on the Register of members in respect of such Share(s). Several executors or administrators of a deceased member in whose (deceased member's) sole name any Share stands shall for the purpose of these Articles be deemed joint holders.
  - (7) Subject to the provisions contained in this and other Articles, any one of the joint holders of a Share shall, except as regards a transfer of Shares, be deemed the sole holder thereof for matters connected with the Company.

## GENERAL MEETINGS

33. The Company shall in each year, in addition to any other meetings hold a general meeting (herein called an "Annual General Meeting") at the intervals and in accordance with the provisions herein specified. The first Annual General Meeting shall be held within 18 months from the date of incorporation of the Company. All subsequent Annual General Meetings of the Company shall be held within time prescribed in the Act.
34. All general meetings other than Annual General Meetings shall be called Extraordinary General Meetings.
35. The Board of Directors may, whenever it thinks fit, call an Extraordinary General Meeting at such time and at such place as it may determine.

## NOTICE OF GENERAL MEETINGS

40. At least 21 (twenty one) clear days' notice of every general meeting, annual or extraordinary, specifying the day, place and hour of the meeting, and the general nature of the business to be transacted thereat, shall be given in the manner hereinafter provided, to such persons as are under these Articles entitled to receive notice from the Company. Provided that in the case of Annual General Meeting, with the consent in writing of all the members entitled to vote thereat and in the case of any other meeting with the consent of members holding not less than 95 % of such part of the paid up Share Capital of the Company as gives a right to vote at the meeting, the meeting may be convened by a shorter notice.
37. The accidental omission to give any such notice as aforesaid to any of the members, or the non-receipt thereof, shall not invalidate any resolution passed at any such meeting.
38. No business shall be transacted at any general meeting or at any adjourned meeting unless a quorum is present. The quorum for the General Meeting shall be five members.
39. A body corporate which is member shall be deemed to be personally present, if it is represented in accordance with section 187 of the Act.
40. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the 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 within half an hour from the time appointed for the meeting, the adjourned meeting shall be dissolved.

## PROCEEDING AT GENERAL MEETINGS

41. The Chairperson or in his absence the Vice-Chairperson (if any) shall preside at every general meeting, whether annual or extraordinary, but in case of their absence or refusal to so act, one of the Directors (if any be present) shall be chosen to be the Chairperson of the meeting.
42. If at any meeting a quorum is present and the chair shall not be taken by the Chairperson or the Vice-Chairperson (if any) or by a Director, at the expiration of 15 minutes from the time appointed for holding the meeting, or earlier if before the expiration of that time all the Directors shall decline to take the chair, the members present shall choose one of their number to be the Chairperson of the meeting.
43. No business shall be discussed at any general meeting, except the election of a Chairperson, while the chair is vacant.
44. The Chairperson of a general meeting may with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
45. When a meeting is adjourned for 30 days or more, notice of the adjourned meeting shall be given as in the case of the original meeting, and for this purpose the period of notice shall be not less than 21 clear days. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
46. At any general meeting any resolution put to the vote of the meeting shall, unless a poll is demanded in accordance with the provisions of the Act, be decided by show of hands, and on a show of hands, every member present in person shall have one vote.
47. (1) Any poll demanded on the election of the Chairperson of the meeting or on any question of adjournment shall be taken at the meeting forthwith.

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

### **VOTES OF MEMBERS**

48. Subject to the provisions of the Act and these Articles, any voting right may be exercised by any member of the Company, either personally or by an attorney or by proxy or, in the case of a body corporate, by a representative duly authorised under Section 187 of the Act.
49. No member shall be entitled to vote, either personally or by proxy for another member, at any general meeting or meeting of a class of shareholders, in respect of any Shares registered in any name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has, or has exercised, any right of lien.
50. Subject to the provisions of the Act and these Articles, every member not disqualified by the last preceding Article shall be entitled to be present and to speak and vote at such meeting, and upon a poll every member entitled to vote and present in person (including a body corporate present as aforesaid) or by any attorney or by proxy shall have in respect of every Share voting rights in the same proportion as the Capital paid up on such Share bears to the total paid up Share Capital of the company.
51. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote by his committee or other legal guardian, and any such committee or guardian may vote by proxy. If any member be a minor, the vote in respect of his Share shall be by his guardian or any one of his guardians, if more than one, to be selected in case of a dispute, by the chairperson of the meeting.
52. The instrument appointing a proxy, and the power of attorney or other authority (if any), under which it is signed or a notarially certified copy of that power or authority, shall be deposited at the Office not later than 48 hours before the time for holding the meeting at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid.
53. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principle or revocation of the proxy or of any power of attorney under which such proxy was signed, or the transfer of the Share in respect of which the vote is given, provided that no intimation in writing of the death, Insanity, revocation or transfer shall have been received at the Office, at least 24 hours before the meeting.
54. No objection shall be raised to the validity of any vote, except any meeting or poll at which such vote shall be tendered, and every vote, whether given personally or by proxy, not disallowed at such meeting or poll shall be deemed valid for all purpose of such meeting or poll whatsoever.
55. The Chairperson of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairperson present at the time of taking a poll shall be the sole judge of the validity of every vote tendered at such poll.

### **BOARD OF DIRECTORS**

56. Subject to the provisions of the Act, the business of the Company shall be managed by the Board of Directors. The Directors shall be appointed in accordance with the provisions of these Articles.
57. The number of Directors of the Company shall be not less than 6 (six) and shall not be more than 9 (nine). Provided, however, from the time of incorporation and for a period not more than two years, the Company may function with such number of Directors as may be nominated or appointed by the Government of Assam subject to a minimum of three. The first Directors of the Company shall be: (i) Shri Jitesh Khosla, (ii) Shri Pramod Kumar Chowdhary, (iii) Shri Pinuel Basumatary and (iv) Shri Himadri Dutta. The Government of Assam may nominate a Chairperson and Managing Director or

- a Chairman cum Managing Director or such number of functional Directors not exceeding 9 (nine) as the Government of Assam may consider appropriate for the Company during the said period of two years. The provisions of Article 58 shall not be applicable to such Directors nominated by the Government of Assam.
58. Subject to Article 57 so long, the ASEB or any of the companies or corporations owned or controlled by the Government of Assam holds majority of Shares in the Company, the appointment of Directors and the condition applicable to such appointment shall be as under:
- (a) Save as the appointment of Directors under Article 57, not more than one-third of the total number of Directors shall be nominated by the Government of Assam.
  - (b) Save as the appointment of Directors under Article 57, the remaining Directors shall be appointed through a Selection Committee constituted for the purpose as provided herein.
  - (c) For the purpose of selection of Directors referred in Clause (b) above, the Government of Assam shall, as and when required, constitute a Selection Committee consisting of five (5) persons as under:
    - (i) One (1) nominee of the Government of Assam.
    - (ii) One (1) person holding Office of the Chairperson or Managing Director of any of the Reserve Bank of India, State Bank of India, or a reputed Public Financial Institution as defined under Section 4A of the Companies Act, 1956, other than such institution owned or controlled by the Government of Assam; and
    - (iii) One (1) person holding Office of the Director or otherwise person in charge as the Head of any of the Indian Institutes of Management, Indian Institutes of Technology or Institute of Chartered Accountants of India, which Institutes are recognized by the Government of India.
    - (iv) One (1) person holding the office of Director in any of the undertakings owned or controlled by the Central Government and engaged in the activities connected with Electricity Industry in India.
    - (v) One (1) person holding the Office of the Chairperson or, Member of the Bureau of Public Sector Enterprises.
  - (d) The Government of Assam shall, within one (1) month from the date of the occurrence of any vacancy in the Board of Directors by reason of death, resignation or removal and three (3) month before the superannuation or the end of the tenure of the Directors, constitute the Selection Committee as specified in Clause (c) above, for the purpose of the selection of the person to fill up the vacancy.
  - (e) The Selection Committee shall finalise the selection of the person to be appointed as Director within forty-five days from the date on which reference is made.
  - (f) Any person appointed as the non-retiring Director shall hold office of Director for the duration of 5 years and shall not be eligible for re-appointment after the expiry of the period. The retiring Director shall hold office of Director as provided in the Act and shall not be eligible for re-appointment.
  - (g) Save as the appointment of the Directors under Article 57, one of Directors to be selected through the Selection Committee as specified above shall be the Chairperson and the Managing Director of the Company. The Chairperson and Managing Director shall be appointed for a duration of 5 years and he shall not be eligible for reappointment.
  - (h) The Chairperson and Managing Director shall be the Chief Executive of the Company with power to undertake all things in regard to the management and control of the affairs of the Company, subject to the supervision and control of the Board of Directors.



- (i) All Directors other than the Chairperson and Managing Director shall be the non-executive Directors.

### REMOVAL OF DIRECTORS

- 59 (a) The Government of Assam shall be entitled from time to time change the persons nominated as Directors in the company in terms of Article 58 (a) above. ;
- (b) All other Directors including the Chairperson and Managing Director shall be subject to removal from their office if Selection Committee, constituted for the purpose in the same manner as in the case of appointment of Directors, recommends such removal to be in the interest of the Company.
- (c) The Selection Committee shall before making any recommendation as to the removal of any Director including the Chairperson and Managing Director take into account the views of other Directors.
60. The Chairperson and Managing Director and a Director nominated under Article 58(a) shall be a non-retiring Director for the duration of his/her term of appointment subject however to their removal or change as provided in Article 59. Subject to the above at every Annual General Meeting, one-third of such of the Directors for the time being as are liable to retire by rotation shall retire from the office and shall not be eligible for re-appointment.
61. A Director shall not be required to hold any qualification Shares in the Company,
62. The remuneration of a Director shall be such sum as the Directors may determine from time to time subject to the provisions of the Act. The Directors may also be paid all travelling (including return travel), hotel and other expenses (a) for attending the meetings of the Board or the general meetings or (b) in connection with the business of the Company.
63. If a Director is required to reside at any place in India or abroad other than his usual residence on the Company's business, or otherwise perform extra services, the Board may, subject to the provisions of Section 309 and 310 of the Act, arrange with such Director for such special remuneration for such services, either by way of salaries, commissions, payments of a stated sum or sums of money as it shall think fit, in addition to or substitution for his remuneration above provided, and may provide housing accommodation for him and all other necessities at the cost of the Company.
64. The Directors may act notwithstanding any vacancy in the Board, but, subject to the provisions of the Act, if and so long as their number is reduced below the quorum fixed by the Act or these Articles for a meeting of the Board, notwithstanding the absence of a quorum the continuing Directors may act for the purpose of summoning a general meeting or a meeting of the holders of a class or classes of Shares but for no other purpose.
65. Subject to the provisions of the Act, a Director may resign his office at any time by notice in writing addressed to the Company or to the Board or to the Chairperson.
66. (1) A Director of the Company shall, within 20 days of his appointment or relinquishment of his office as director, managing director, manager or secretary in any other body corporate, disclose to the Company the particulars relating to his office in the other body corporate which are required to be specified under the Act. The Company shall enter the aforesaid particulars in a register kept for that purpose in conformity with the Act.
- (2) A Director shall give notice in writing to the Company of his holding of Shares and debentures of the Company or any of its subsidiaries, together with such particulars as may be necessary to enable the Company to comply with the provisions of the Act. If such notice be not given at a meeting of the Board, the Director shall take all reasonable steps to secure that it is brought up and read at the meeting of the Board next after it is given. The Company shall enter the particulars of a Director's holding of Shares and debentures as aforesaid in a register kept for that purpose in conformity with the Act.

## PROCEEDINGS OF BOARD OF DIRECTORS

- 67 The Directors may meet together as a Board from time to time but at least once in every 3 (three) months, and at least 4 (four) meetings shall be held in every year. Meetings of the Board shall be convened by the Chairperson. In addition, meetings of the Board may be convened by 3 (three) or more Directors.
- 68 Without prejudice to the provisions of section 287 of the Act, the quorum necessary for the transaction of the business of the Board shall be half of the total number of the Directors, or four, whichever is more.
- 69 If a meeting of the Board cannot be held for want of a quorum, then the meeting shall stand adjourned to such day, time and place as Directors present at the meeting may fix.
- 70 All meetings of the Directors shall be presided over by the Chairperson and Managing Director, if present, but if at any meeting of the Directors the Chairperson and Managing Director be not present at the time appointed for holding the same, the Directors shall choose one of the Directors then present to preside at the meeting.
- 71 Questions arising at any meeting of Directors shall be decided by a majority of votes.
- 72 Except for resolutions which the Act specifically requires to be passed in a board meeting, a resolution passed by circular without a meeting of the Board, shall, subject to the provisions of Section 289 of the Act, be deemed to be a resolution passed by the Board.
- 73 Subject to the provisions of the Act and these Articles, all acts done by any meeting of the Directors or by any person acting as a Director shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of such Directors or person acting as aforesaid, or that they or any of them were or was disqualified be as valid as if every such person had been duly appointed and was qualified to be a Director.
- 74 (1) Subject to the provisions of the Act the Directors may delegate any of their powers to committees consisting of such members of their body as they think fit and they may from time to time revoke and discharge any such committee either wholly or in part and either as to persons or purposes: but every committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Directors. All acts done by any such committee in conformity with such regulations and in fulfilment of the purpose of their appointment, but not otherwise, shall have the force and effect as if done by the Board. Subject to the provisions of the Act, the Board may from time to time, fix the remuneration to be paid to any member or members of their body consisting of a committee appointed by the Board in terms of these Articles, and may pay the same.
- (2) The meetings and proceedings of any such committee shall be governed by the provisions for regulating the meetings and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.

## POWERS OF DIRECTORS

- 75 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 law, or by the Memorandum of Association of the Company or these Articles, required to be exercised by the Company in general meeting or meeting of the holders of a class or classes of Shares, subject nevertheless to these Articles, to the provisions of the Act or any other law and to such regulations being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Company in a general meeting, provided that 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.
- 76 Without Prejudice to the generality of the powers conferred by the last preceding Article and so as not

in any way to limit or restrict those powers, and subject to the restrictions contained in the last preceding Article, the Directors shall have the following powers :

- (a) to pay the costs, charges and expenses preliminary and incidental to the formation, promotion, establishment and registration of the Company;
- (b) to pay and charge to the capital amount of the Company any interest lawfully payable thereout under the provisions of the Act;
- (c) subject to Section 292 and 297 of the Act, to purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorised to acquire, at or for such price or consideration and generally on such terms and conditions as the Board may think fit; and in any such purchase or other acquisition to accept such title as the Board may believe or may be advised to be reasonably satisfactory;
- (d) at the discretion of the Board and subject to the provisions of the Act to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partially, in cash or for debt and any such debt may be either specifically charged or mortgaged upon all or any part of the property of the Company and its uncalled Capital or not so charged or mortgaged.
- (e) to secure the fulfilment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled Capital for the time being or in such manner as the Board may think fit;
- (f) to accept from any Member, so far as may be permissible by law, a surrender of his Shares or any part thereof, on such terms and conditions as shall be agreed;
- (g) to appoint any person to accept and hold in trust for the Company any property belonging to the Company, or in which it is interested, or for any other purposes; and to execute and do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees;
- (h) to institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers, or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts due, and of any claims or demands by or against the Company and to refer any differences to arbitration, either according to Indian law or according to foreign law and either in India or abroad and observe and perform or challenge any awards made ;
- (i) to act on behalf of the Company in all matters relating to bankrupts and insolvent;
- (j) to make and give receipt, releases and other discharges for moneys payable to the Company and in respect of obligations owed or owing to the Company.
- (k) subject to the provisions of Section 292, 293 (1) (c), 295 and 372A of the Act, to invest and deal with any moneys of the Company not immediately required for the purposes thereof, upon such security (not being Shares of the Company) or without security and in such manner as they may think fit, and from time to time to vary or realise such investments, provided that (save as provided in Section 49 of the Act) all investments shall be made and held in the Company's own name;
- (l) to borrow money and/or secure the payment of any sum or sums of money for the purpose of the company, to issue bonds at a premium, discount or otherwise and with any special privileges, as to redemption, surrender or drawings.
- (m) to execute, in the name and on behalf of the Company, in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or surety, for the benefit of the Company, such guarantees, indemnities or assurances (whether or not secured on the property of the Company or any part thereof) as the Board may determine;

- (n) to determine from time to time who shall be entitled to sign on the Company's behalf, bills, promissory notes, drafts, hundis, other negotiable instruments, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents, and to give the necessary authority for such purpose;
- (o) to create and from time to time subscribe or contribute to provident and other associations, institutions, funds or trusts and to provide or subscribe or contribute towards places of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit for the benefit of the employees and/or officers of the Company and their respective family members; and subject to the provisions of Section 293 (1) (e) of the Act to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or objects which shall have any moral claim to support or aid by the Company, either by reason of locality of operation of public and general utility or otherwise ;
- (p) before recommending any dividend to set aside, out of the profits of the Company, such sums as are required by law to be set aside and such sums as the Board may think proper for depreciation or to a depreciation fund or to an insurance fund, or as a reserve fund, sinking fund or any special fund to meet contingencies or to repay debentures or debenture stock, or for special dividends or for equalising dividends or for repairing, improving, extending and maintaining any of the property of the Company and for such other purposes (including the purposes referred to in paragraph (a) of this Article 76) as the Board may, in their absolute discretion, think conducive to the interest of the Company, and subject to Section 292 of the Act, to invest the several sums so set aside or so much thereof as required to be invested upon such investments (other than Shares of the Company), as the Board may think fit, and from time to time to deal with or vary such investments and dispose of and apply and expend all or any part thereof for the benefit of the Company, in such manner and for such purposes as the Board in their absolute discretion, think conducive to the of the Company notwithstanding that the matters to which the Board apply or upon which they expend the same or any part thereof, may be matters to or upon which the capital, moneys of the Company might rightly be applied or expended; and to divide the reserve fund into such special funds as the Board may think fit; with full power to transfer the whole or any portion of the reserve fund or division of a reserve fund and with full powers to employ the assets constituting all or any of the above funds, including the depreciation fund, in the business of the Company or in the purchase or repayment of debenture and debenture stock, and without being bound to keep the same separate from the other assets and without being bound to account for interest received on the same with power, however, to the Board at their discretion to allow interest to accrue on and be credited to the principal amount of such funds at such rate as the Board may think proper, provided that any amount of the interest in excess of nine per cent per annum in respect of such funds shall not be credited to such funds but shall form part of the general assets of the company.
- (q) to delegate to the Chairperson and Managing Director the powers subject to the provision of the Act.
- (r) at any time and from time to time by power of attorney under the Seal of the Company, to appoint any person or persons to be the attorneys of the Company, for such purposes and with such powers, authorities and discretion (not exceeding those vested in or exercisable by the Board under these Articles and excluding the powers to make calls and excluding also, except in their limits authorised by the Board, the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit and any such appointment may (if the Board think fit) be made in favour of the members or any of the members of any committee established as aforesaid or in favour of any Company, or the Shareholders, directors, nominees or managers of any company or firm or body or body of persons whether nominated directly or indirectly by the Board and any such power of attorney may contain such powers for the protection or convenience of persons dealing with such attorneys as the Board may think fit and may contain powers enabling any such delegates or attorneys as aforesaid to sub-delegate all or

any of the powers, authorities and discretion for the time being vested in them;

- (s) subject to Section 294, 297 and 300 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts and execute and do all such acts, deeds and things in the name and on behalf of the Company as the Board may consider expedient ;
- (t) from time to time to make, vary and repeal notifications, regulations, circulars, office orders or bye laws for the regulations of the business of the Company, and/or the conduct of its officers and employees; and
- (u) to do all such acts, matters and things deemed necessary, proper or expedient for carrying on the business of the Company, except only such acts, matters or things as by the Act or by these Articles are expressly directed to be exercised by the Company in general meeting.

### **POWERS OF THE MANAGING DIRECTOR**

- 77. (a) Within the scope of the powers conferred upon him as a Managing Director by the Act these Articles and such policies as may be established from time to time by the Board consistent with these Articles, the Managing Director shall be responsible for the day-to-day operation of the company and he shall devote his full time and attention to the sound management and orderly growth of the Company. The Managing Director shall be entrusted with and given such of the powers exercisable under these Articles by the Directors as they may think fit.
  - (b) The Directors may, in addition to the foregoing but subject to the provisions of the Act and these Articles, confer such power on the Managing Director to the exclusion of and in substitution for, all or any of the powers of the Directors in that regard, provided however that the Directors shall not entrust to and confer upon the Managing Director the entitlement to exercise, the power (i) to make calls upon the members of the Company in respect of money unpaid on the Shares held by them (ii) to borrow any sum or sums money for the purposes of the Company or to make loans out of the funds of the Company except within limits as may from time to time be previously fixed by the Directors, or (iii) to invest any of the moneys of the Company.
78. Subject to the provisions of the Act and these Articles, if the Directors or any of them or any other person shall incur or be about to incur any liability, whether as principal or surety for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company (present and future) by way of indemnity to secure the Directors or person so be cognisable as aforesaid from any loss in respect of such liability.

### **SECRETARY**

- 79. Subject to the provisions of the Act, the Board may from time to time, appoint an individual as the Secretary of the Company for such term and for such remuneration and upon such conditions as it may think fit and the Secretary so appointed may be removed by the Board.

### **THE SEAL**

- 80. The Board of Directors shall provide a common seal for the purpose of the Company and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof. The Board of Directors shall provide for the safe custody of the seal.
- 81. The seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a Committee of the Board authorized by it in that behalf and except in the presence of at least two Directors or such other persons as the Board may appoint for the purpose and those two Directors or such other persons as aforesaid shall sign every instrument to which the seal of the Company is so affixed in their presence. A Director(s) may, however sign a Share/debenture certificate by affixing his signature(s) thereon by means of any machine, equipment or other mechanical means

such as engraving in metal or lithography, but not by means of a rubber stamp, provided that the Director(s) shall be responsible for the safe custody of such machine, equipment or other metal used for the purpose.

**DIVISION OF PROFITS & DIVIDENDS**

- 82. The profits of the Company available for payment as dividend, subject to any special rights relating thereto created or authorized to be created by these presents and subject to the provisions of these presents as to the reserve fund shall be paid to the members as per provisions of the Act.
- 83. The Company in General Meeting may declare a dividend to be paid to the members according to their respective rights and interest in the profits and may fix the time for payment but no dividend shall exceed the amount recommended by the Board.
- 84. The Directors may from time to time pay to the members such interim dividends as in their judgment the position of the Company justifies.

**ACCOUNTS**

- 85. The Directors shall from time to time determine whether and to what extent and at what time and places and under what conditions or regulations the accounts and books of the company or any of them shall be open to the inspection of members not being Directors and no member (not being a Director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorized by the Board or by the Company in General Meeting.

**AUDIT**

- 86. Once at least in every financial year, the accounts of the company shall be examined and the correctness of the Profit & Loss Account and Balance Sheet ascertained by one or more auditors.

**NOTICE**

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

**WINDING UP**

- 88. If the Company shall be wound up and the assets available for distribution among the members as such shall be insufficient to repay the whole of the paid up Capital, such assets shall be distributed so that, as nearly as may be the losses shall be borne by the members in proportion to the Capital paid up at the commencement of the winding up on the Shares held by them respectively. If in a winding up the assets available for distribution among the members shall be more than sufficient to repay the whole of the paid up Capital such assets shall be distributed amongst the members in proportion to the original paid up Capital as the Shares held by them respectively. But this clause is to be without prejudice to the rights of the holders of Shares issued upon special terms and conditions.

**SECRECY**

- 89. No Member shall be entitled to visit or inspect the Company's work without due permission or to require discovery of or any information respecting any detail of the Company's trading or any matter which is or may be in the nature of a trade secret or secret process which may relate to the conduct of the business of the Company and which in the opinion of the Directors will be inexpedient in the interest of the members of the company to communicate to the Public.

## INDEMNITY AND RESPONSIBILITY

90. (a) Subject to the provisions of Section 201 of the Act, every Director, Manager, Auditor, Secretary or other officer or employee of the Company shall be indemnified by the Company against and it shall be the duty of the Directors to take out the funds of the Company to pay 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 employee or in any other way in the discharge of his duties and the amount for which such indemnity is provided shall, immediately attach as a lien on the property of the company and have priority as between the Members over all other claims.
- (b) Subject as aforesaid every Director, Manager or Officer of the company shall be indemnified against any liability incurred by him or them in defending any proceedings whether civil or criminal in which judgment is given in his or their favour or in which he is or they are acquitted or in connection with any application under Section 633 of the Act in which relief is given to him or them by the Court,
91. Subject to the provisions of the Act, no Director, Manager or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or officer, 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 tortuous act of any person, company or corporation, with whom any moneys, securities or effects shall be entrusted or deposited or for any loss occasioned by an error of judgment or oversight on his or their part or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his or their office or in relation thereto unless the same happens through his own dishonesty.

Sl. No.	Name of subscriber, address, description and occupation, if any	Signature of subscriber	Signature of witnesses and their addresses,description and occupation, if any
1	Governor of Assam through Shri Pramod Kumar Chowdhary, IAS, S/o Late Jai Narain Chowdhary Commissioner & Secretary to the Government of Assam, Power etc.Department, Dispur, Guwahati- 781006, Occupation:- Service	Sd/-	<p style="text-align: center;">Witness to the signatures of all Subscribers Sd/- Shri Chandan Kumar Dowerah S/o Late Saiya Kumar Diwerah P.D. Chaliha Road, Silpukhuri, Guwahati - 781003 (Company Secretary in Practice)</p>
2	Shri Jitesh Khosla, IAS S/o Shri Lajpat Rai Khosla, Chairman, ASEB, Bijulee Bhawan, Guwahati- 781001, Occupation:- Service	Sd/-	
3	Shri Khogendra Nath Buragohain, IAS S/o Late Motiram Buragohain Member (Personnel),ASEB, Bijulee Bhawan, Guwahati-781001. Occupation:- Govt. Service	Sd/-	
4	Shri Pinuel Basumatary, IA & AS S/o Christodas Basumatary Member (Finance), ASEB, Bijulee Bhawan, Guwahati-781001 Occupation:- Service	Sd/-	
5	Shri Indreswar Hazarika. S/o Late Padum Chandra Hazarika, Chief Engineer (RE), ASEB, Narangi, Guwahati-781026. Occupation:- Service	Sd/-	
6	Shri Manoranjan Sarma. S/o Late Sarat Chandra Sarma OSD (Reform), ASEB, Bijulee Bhawan, Guwahati- 781001. Occupation:- Service	Sd/-	
7	Shri Girindra Mohan Das. S/o Late Ananta Mohan Das Chief Engineer (T&T), ASEB, Bijulee Bhawan, Guwahati-781001. Occupation:- Service	Sd/-	
8	Shri Himadri Dutta S/o Late Hirendra Sankar Dutta ] Chief Engineer (Generation), ASEB, Bijulee Bhawan, Guwahati-781001. Occupation:- Service	Sd/-	
9	Shri Prasanta Jyoti Borkotoki S/o Late Gobinda Prasad Borkotoki Chief Engineer (Distribution) ASEB, Bijulee Bhawan, Guwahati-781001, Occupation:- Service	Sd/-	

Place : Guwahati

Dated, the 22nd October, 2003