

Memorandum of Association
of
National Seeds Corporation Limited

- i. The name of the Company is "National Seeds Corporation Limited".
- ii. The Registered Office of the Company will be situated in Delhi.
- iii. The objects for which the Company is established are:-

(1) To carry on in India the production, processing, drying, storing, distribution and transportation of agricultural seeds.

**Memorandum
of
Association**

(2) To carry on business in India to buy, sell, grow, prepare for market, import and export and deal in seeds of all kinds.

(3) To carry on all or any of the business usually carried on by seed companies in all their several branches and in particular to lay out, improve, alter and develop any land or property and thereon to erect, construct, alter or rebuild any buildings or works whatsoever.

(4) To purchase, own, acquire, take on lease and operate land, seed farms, farm machinery, and to erect and seed cleaning, seed processing and transportation equipment deemed necessary for a seed business.

National Seeds Corporation Limited

(5) To enter into contract with individuals, societies, corporations and government departments for the production, drying, storing, distributing and selling of agricultural seeds.

(6) To store and stockpile reserve seeds for the improvement of agriculture.

(7) To undertake by inspection, culture measures in all phases of seed production on behalf of or in cooperation with individuals, societies, corporations and government departments.

(8) To own and operate seed testing laboratories.

(9) To carry on the business of consulting and management services for individuals, societies, corporations, government agencies or others who are engaged in any phase of the seed business.

(10) To engage in market research and developmental activities.

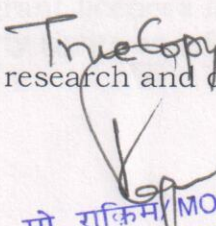
True Copy


मो. राकिम/ MOHD. RAQUIM
कम्पनी सचिव/ Company Secretary
राष्ट्रीय बीज निगम लिमिटेड/ NSC Limited
बीज भवन, पूसा/ Beej Bhawan, Pusa
नई दिल्ली/ New Delhi-110012

19/3/1967

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National Seeds Corporation Limited**

- i. The name of the Company is "National Seeds Corporation Limited".
- ii. The Registered Office of the Company will be situated in Delhi.
- iii. The objects for which the Company is established are –
 - (1) To carry on in India the production, processing, drying, storing, distribution and transportation of agricultural seeds.
 - (2) To carry on business as seed merchants, to buy, sell, grow, prepare for market, import, export and deal in seeds of all kinds.
 - (3) To carry on all or any of the business usually carried on by seed companies in all their several branches and in particular to lay out, improve, alter and develop any land or property and thereon to erect, construct, alter or rebuild any buildings or works whatsoever.
 - (4) To purchase, own, acquire, take on lease and operate land, seed farms, farm machinery, seed storages and seed cleaning, seed processing and transportation equipment deemed necessary for a seed business.
 - (5) To own and operate farm machinery, seed processing, storage and transportation facilities and equipment given on a rental basis.
 - (6) To enter into contract with individuals, cooperative societies, corporations and government agencies in the growing, processing, drying, storing, distributing, transporting, buying and selling of agricultural seeds.
 - (7) To store and stockpile reserve supplies of any seeds needed for the improvement of agriculture in India.
 - (8) To undertake by inspections and by other means, seed quality control measures in all phases of the seed business carried on by, on behalf of or in cooperation with the Company.
 - (9) To own and operate seed testing laboratories.
 - (10) To carry on the business of consulting and management services for individuals, cooperative societies, corporations, government agencies or others who are engaged in any phase of the seed business.
 - (11) To engage in market research and developmental activities.

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(11)(a) To enter into memorandum of understanding, agreements or tie-ups with other organizations i.e body corporates, Co-operatives, firms or persons for marketing and supply of bio-fertilizers and bio-pesticides.

(12) To support by financial grants for seed, fertilizer and plant protection measures, loan of equipment and farm machinery, transport facilities, technical advice and consulting services and by other means, activities leading to the development of markets for quality seeds.

(13) To publicise quality seeds by booklets, leaflets, posters, exhibits, radio, films, news-papers, journals, magazines and by other means.

(14) To manufacture, buy, sell, exchange, instal, work, alter, improve, manipulate, prepare for market, import or export and otherwise deal in all kinds of plant and machinery, wagons, rolling stock, apparatus, tools, utensils, substances, materials and things, necessary or convenient for carrying on any of the business the Company is authorized to carry on or which is usually dealt in by persons engaged in such business.

(15) To carry on the business of carriers by land, sea and air.

(16) To apply for, tender, purchase, or otherwise acquire any contract, concessions for on in relation to the construction, execution, carrying out, equipment, improvement, management, administration or control of works and conveniences, and to undertake, execute, carry out, dispose of, or otherwise turn to account the same.

(17) 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 options or rights in respect thereof, and to buy and sell foreign exchange.

(18) To apply for, purchase or otherwise acquire any trade marks, patents, brevets d'invention licences, concessions and the like, conferring any exclusive or non-exclusive or limited right to use, or any secret or other information as to any invention or discovery which may seem capable of being used for any of the purposes of the Company, or the acquisition of which may seem calculated directly or indirectly to benefit the Company, and to use, exercise, develop or grant licences in respect of or otherwise turn to account the property rights or information so acquired.

- (19) To amalgamate or enter into partnership or any joint purpose or profit-sharing arrangement with and to co-operate in any way with or assist or subsidize any co-operative, company, firm or person.
- (20) To promote or concur in the promotion of any co-operative society or Company the promotion of which shall be considered desirable.
- (21) To take all necessary or proper steps with the authorities, national, state, local, municipal or otherwise, of any place in which the Company may have interests, and to carry on any negotiations or operations for the purpose of directly or indirectly carrying out the objects of the Company or effecting any modification in the constitution of the Company or furthering the interest of its members, and to oppose any such steps taken by any other company, co-operative, firm or person which may be considered likely directly or indirectly to prejudice the interest of the Company or its members.
- (22) To support by the financial grants, purchase of equipment vehicles, and by training programmes, consulting services and other means the development and operation of State and Central agencies for seed certification and seed law enforcement programmes dealing with quality control measures for seeds.
- (23) To acquire and deal with the following property:
- i. The business, property and liabilities of any Company co-operative society, firm or person carrying on any business with the objects of this company.
 - ii. Lands, buildings easements, and other interests, in immovable property.
 - iii. Plant, machinery, personal estate and effects.
 - iv. Patents, patent rights, inventions, discoveries or designs.
 - v. Shares, stocks or securities 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 or indirectly to promote or advance the interests of the Company or be advantageous or beneficial to the Company and to continue to hold any shares in any such Company hereto fore acquired by the Company and to sell or dispose of any transfer any such shares, stocks or securities.

- vi. To purchase, take on lease or acquire in exchange or connection or otherwise, absolutely or conditionally, solely or jointly with others, any property, right or privileges which the Company may think necessary or convenient for the purpose of its business, and make, construct, maintain, work, hire, hold, improve, alter, manage, let, sell, dispose of, exchange, carry out or control, canals, water courses, drains, sheds, garages, accommodation of all kinds for land traffic, waterways, lands, buildings, pipe-lines, warehouses, workshops, machinery and apparatus, water rights way leaves, privileges or rights of any description or kind and other conveniences which may be calculated directly or indirectly to advance the Company's interest, and to contribute to subsidise or otherwise assist or take part in the construction, improvement, maintenance, working management, carrying out or control thereof.

(24) To perform or do all any of the following operations, acts or things:

- i. To pay all the costs, charges and expenses of the promotion and establishment of the Company.
- ii. To sell, let, dispose of or grant rights over all or any property of the company.
- iii. To erect buildings, plant and machinery for the purpose of the company.
- iv. To undertake payment of all rents and performance and observance of all covenants, conditions and agreement contained in or reserved by any lease or leases which may be granted or assigned to, or may be otherwise acquired by the company.
- v. To manufacture plant, machinery, tools, good and other things for any of the purposes of the business of the company.
- vi. To draw, accept and negotiate bills of exchange, promissory notes and other negotiable instruments.
- vii. To borrow money or to receive money on deposit, either without security or security or secured by debentures, stock (perpetual or terminable), mortgage or other security charged on the undertaking or all or any of the assets of the Company including uncalled capital and to increase, reduce or pay off any such securities.

viii. To lend money or property on mortgage of immovable property or on hypothecation or pledge or movable property for the use of individuals, cooperatives, corporations in the growing, processing, storing and sale of seeds or for other purposes and to invest money of the Company in such manner (other than in the shares of this company) as the Directors think fit and to sell, transfer or deal with the same.

ix. To enter into partnership or into any arrangement for joint working, sharing or pooling profits, amalgamation, union of interest, co-operation, joint adventure, reciprocal concession or otherwise or amalgamate with any person or Company carrying on, or engaged in or about to carry on or engage in any business or transaction which the Company is authorised to carry on or engage in or any business undertaking or transaction which may seem capable of being carried on or conducted so as directly or indirectly to benefit the company.

x. To sell or dispose of the undertakings of the Company and all or any or the property or effects of the Company for cash or for stock, shares, or securities of any other Company or for other considerations as the Company may think fit and in particular for shares, debentures or securities of any other Company having objects, altogether or in part similar to those of this company.

xi. To establish, provide, maintain and conduct or otherwise subsidise in India, educational and training institutions, research laboratories and experimental workshops for scientific and technical research and experiments, to undertake and carry on scientific and technical researches, experiments and tests of all kinds, to promote studies and researches, both scientific and technical, investigations and discoveries by providing, subsidising, endowing or assisting laboratories, workshops, libraries, lectures, meetings and conferences and to enter into any agreement with Government or any other party for the purposes aforesaid.

xii. To obtain, apply for, or arrange for the issue or enactment of an Order or Act of Legislature or Act of Authority in India for enabling the Company to obtain powers, authorities, protection and financial and other help necessary or expedient 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 applications or any other endeavours, steps or measures which seem calculated directly or indirectly to prejudice the Company's interests.

- xiii. To enter into any arrangement with the Government of India or a State or with authorities, supreme, national, local, municipal or otherwise or with landholders, or with any person for the purpose of directly carrying out the objects of the Company or any of them or effecting any modification in the constitution of the Company or furthering the interests of the Company or its members and to obtain from any such Government authority or person any charters, subsidies, 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 any such arrangements, charters, grants, contracts, decrees, rights, sanctions, privileges, licences or concessions and the terms and conditions and in particular to comply with any conditions for the sharing of profits of the Company with any such Government, authority or person or for restricting dividends on shares of the Company.
- xiv. To provide for the amelioration and welfare of persons employed or formerly employed by the Company and the wives, families, dependents or connections of such persons by building or contributing to the building of houses, dwellings of chawls or by grants of money, pensions, allowances, bonuses or other payments or by creating and from time to time subscribing or contributing to a Provident Fund and other Associations, Institution Funds or Trusts or by helping persons employed by the Company to effect or maintain insurance on their lives by contributing to the payment or otherwise.
- xv. To apply the assets of the Company in any way in or towards the establishment, maintenance or extension of any Association, Institution or Fund in any way connected with any particular trade or business or with trade or commerce generally including any association, institution or fund for the protection of the interests of masters owners and employers against loss by bad debts, strikes, combinations, fire, accidents or otherwise.

- xvi. To distribute any of the property of the Company among the members in specie or kind but so that no distribution amounting to a reduction of a capital be made except with the sanction (if any) for the time being required by law.
 - xvii. To transact and carry on all kinds of Agency business and to be appointed and act as Agents, Managing Agents, Managers or Secretaries and Treasurers of any Company or concern and to do and perform any or all of the several duties, services and authorities appertaining to such offices respectively and to comply with and to become bound by all restrictions, limitations and conditions appertaining to such offices respectively or imposed by the terms of any agreement or agreements entered into for any of the purpose aforesaid.
 - xviii. To do all or any of the above things, and all such other things as are incidental or as may be thought conducive to the attainment of the above objects or any of them in India or at any other part of the world, either as principals, agents, trustees, contractors or otherwise, and either by or through agents, contractors, trustees or otherwise, and either alone or in conjunction with others and to do all such things as are incidental or conducive to the attainment of the above objects.
- (25) To do all or any of the things hereinafter authorised either alone, or in conjunction with or as factors, trustees, or agents for others or by or through factors, trustees or agents:
- (i) To amalgamate with any Company or companies having objects altogether or in part similar to those of this Company.
 - (ii) To pay for any properties, rights or privileges acquired by the Company, either in shares of the Company, or partly in shares and partly in cash or otherwise.
 - (iii) To create any reserve fund, sinking fund, insurance fund or any special or other fund whether for repairing, improving, extending or maintaining any of the property of the Company or for redemption of debentures or redeemable preference shares or for special dividends or equalizing dividends or for any other purpose whatsoever, and to transfer any such fund or part thereof to any of the other funds herein mentioned.
 - (iv) To make, draw, accept, endorse, discount, execute, and issue cheques, promissory notes, bills of lading, warrants, debentures and other negotiable or transferable instruments.

- (v) To accumulate funds and to invest or otherwise employ moneys belonging to or with the Company in the purchase or acquisition of any shares, securities or other investments whatsoever, whether movable or immovable, upon such terms as may be thought proper and from time to time to vary all or any such investments in such manner as the Company may think fit.
- (vi) To acquire any shares, stocks, debentures, stock bonds, obligations or securities by original subscription, participation in syndicates, tender, purchase, exchange or otherwise and to subscribe for the same, either conditionally or otherwise and to guarantee the subscription thereof and to exercise and enforce all rights and powers conferred by or incidental to the ownership thereof.
- (vii) To adopt such means of making known the business of the Company or of any Company in which this Company is interested as may seem expedient.
- (viii) To pay all the costs, charges and expenses of and incidental to the promotion, formation, registration and establishment of the Company and the issue of its capital and to remunerate or make donations to (by cash or other assets or by the allotment of fully or partly paid shares or by a call or option on shares, debentures, stock or securities of this or any other Company or in any other manner, whether out of the Company's capital or profits or otherwise) any person, persons, or Company for services rendered or to be rendered in placing or assisting to place or guaranteeing the placing of any of the shares in the Company's capital or any debenture, stock or other securities of the Company or in the conduct of its business or in introducing any property or business to the Company or for any other reason which the Company may think proper.
- (ix) To guarantee the payment of money unsecured by or payable under or in respect of promissory note, bonds, debentures, debenture stock, contracts mortgages, charges, obligations, instruments and securities of any Company or of any authority, supreme, municipal, local or otherwise or of any person whomsoever, whether incorporated or not incorporated and generally to guarantee or become sureties for the performance of any contracts or obligations.
- (x) To dedicate, present or otherwise dispose of, either voluntarily with or without consideration, or for value any property of the Company deemed to be of national, public or local interest, to any national trust, public body, museum, corporation, or authority or any trustees for or on behalf of any of the same or of the public.
- (xi) To establish and maintain agencies, branch places 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 partnerships or as may be thought desirable. And it is hereby declared that:

- (a) the word "company" save when used in reference to this company, in this clause, shall be deemed to include any partnership or other body or persons, whether incorporated or not incorporated whether domiciled in India or elsewhere;
- (b) the several sub-clauses of this clause and all the powers thereof or to be cumulative and in no case is the generality of any one sub-clause to be narrowed or restricted by any particularity of any other sub-clause, nor is any general expression in any sub-clause to be narrowed or restricted by any particularity or expression in same sub-clause or by the application of any rule of construction ejusdem generis or otherwise;
- (c) the terms "India" when used in this Clause, unless repugnant to the context, shall include all territories from time to time comprised in the Union of India. Provided that notwithstanding anything herein above contained, the Company shall not carry on any business falling within the purview of the Indian Banking Companies Act and the Indian Insurance Act.

(iv) The liability of the members is limited.

- (v) The share capital of the Company is Rs. 25 crores divided into 2,50,000 shares of Rs. 1,000 (Rs. One Thousand) each, with the rights, privileges and conditions attaching thereto as are provided by the Articles of Association of the Company for the time being with power to increase and reduce the capital of the Company and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights; privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company for the time being and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be provided by the Articles of Association of the Company but subject always to the provisions of the Companies Act 1 of 1956 including amendments thereto from time to time.

We, the several persons whose name 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:

Name of the subscribers	Address	Number of shares taken	Witness to Signature
(A.D. Pandit) Special Secretary to the Government of India in the Department of Agriculture of the Ministry of Food & Agriculture and Vice-President, Indian Council of Agriculture Research for and on behalf of the President of India.	Indian Council of Agricultural Research	One	
(J.S. Patel) Agricultural Commissioner with the Government of India.	-do-	One	
New Delhi, Dated this _____ day of _____			

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बीज भवन, पूसा/ Beej Bhawan, Pusa
नई दिल्ली/ New Delhi-110012

Articles of Association of

National Seeds Corporation Limited

INTERPRETATION

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

Interpretation
Clause

"The Company" means the National Seeds Corporation Limited.

The Company

"The Act" - means The Companies Act (1 of 1956) or Acts for the time being in force containing the provisions of the legislature in relation to companies.

The Act

"The Directors" - means the Directors for the time being of the Company or the Directors assembled at a Board.

The Directors

"Month" - means a calendar month.

Month

"The Office" - means the Registered Office for the time being of the Company.

Office

"Register" - means the Register or Members to be kept pursuant to the Act.

Register

"The Seal" - means the Common Seal of the Company.

The Seal

"Dividend" - includes bonus.

Dividend

"The President" - means the President of India.

The President

"The Chairman" - means the Chairman of the Board of Directors for the time being of the Company.

The Chairman

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

Writing

Words importing the singular number only shall include the plural number and vice versa.

Number

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नई दिल्ली/ New Delhi-110012

Words importing masculine gender only shall include the feminine gender.

Words importing persons shall include corporations.

Subject as aforesaid any words or impressions defined in the Act shall except where the subject or context forbids bear the same meaning in these Articles.

2. The regulations in Table 'A' in the First Schedule to the Act shall not apply to the Company except in so far as the same are repeated or contained in or expressly made applicable by these Articles or by the Act.
3. The regulations for the management of the Company and for the observance of the members thereof and their representatives shall, subject as aforesaid and to any exercise of the statutory powers of the Company in reference to the repeal or alteration of or addition to its Articles of Association by Special Resolution, as prescribed or permitted by the Act, such as are contained in these Articles.
4. The Company is to be a "Private Company" and accordingly -
 - (a) The number of members for the time being of the Company is not to exceed fifty excluding (i) persons who, are for the time being in the employment of the Company and (ii) persons who, having been formerly in the employment of the Company, were members of the Company while in that employment and have continued to be members after the employment ceased; but where two or more persons hold one or more shares in the Company jointly, they shall, for the purposes of this Article, be treated as a single member.
 - (b) Any invitation to the public to subscribe for any shares in or debentures of the Company is hereby prohibited.
 - (c) The right of transfer of shares shall be restricted as hereinafter provided.

Gender

Persons

Expression in the Act to bear the same meaning in Articles

Table 'A' not to apply

Company to be governed by these Articles

Company to be a Private Company

5. Copies of the Memorandum and Articles of Association of the Company shall be furnished by the Directors to every member at his request on payment of the sum of rupee one for each copy.

Copies of
Memorandum
and Articles
of Association
to be
furnished by
Directors

CAPITAL

6. The capital of the Company is Rs. 25,00,000/- divided into 2,50,000 equity shares of Rs. 1,000/- each.

Capital

7. The Company shall cause to be kept a Register of Members and an Index of Members in accordance with the Act.

Register of
Members

8. The Register of Members and the Index of Members shall be open to inspection of members without any payment and to inspection of any other persons on payment of rupee one each or such lesser sum as the Company may prescribe for each inspection. Any such member or person may take extracts therefrom.

Register of
Members
open to
inspection

9. The Company shall send to any member on request extracts of the Register of Members or of the list and summary required under the Act on payment of thirty-seven naye paise for every hundred words or fractional part thereof. The extract shall be sent within a period of ten days, exclusive of non-working days and days on which the transfer books of the Company are closed commencing on the day next after the day on which the members' request is received by the Company.

The Company
to send
extract of
Register etc.

10. Subject to the provisions of the Act and these Articles and to the rights of the President, the shares shall be under the control of the Board of Directors who may allot or otherwise dispose of the same to such persons on such terms and conditions as they think fit.

Allotment of
shares

11. (i) All new shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered in the first instance to the members in proportion to the existing shares held by them (irrespective of class) and such offer shall be made by notice specify the number of shares to which the member is entitled and limiting a time within which the offer, if not accepted will be deemed to be declined; and after the expiration of such time, or on receipt of an intimation from the member to who, such notice is given that he declines to accept the shares offered, such new shares may be issued or disposed of by the Company in General Meeting in accordance with the provisions of sub-clause (ii) below or by the Directors under their powers under Article 10.

New Shares to be first offered to existing share holders

(ii) Subject to the provisions of sub-clause (i) above but without derogating from the powers for that purpose conferred on the Directors under Article 10, the Company in General Meeting may determine that any shares (whether forming part of the original capital or of any increased capital) of the Company shall be offered to such persons (whether members or holders of debentures of the Company or not) in such proportions and on such terms and conditions and either at premium or at par or subject to compliance with the provisions of the Act, at a discount; as such General meeting shall determine and with full power to give to any such persons (whether a member or holder of debentures of the Company or not) the option to call for or be allotted shares of any class of the Company either at a premium or at par or (subject to compliance with the provisions of the Act) at a discount; such option being exercisable at such times and for such consideration as may be directed by such General Meeting or the Company in General Meeting may make any other provisions whatsoever for the issue, allotment or disposal of any shares.

Subject to (i) power of General Meeting to offer shares to persons

12. Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the capital of the Company as payment or part payment for any property (including goodwill of any business) sold or transferred, goods or machinery supplied or for services rendered to the Company in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid up or partly paid up otherwise than in cash, and if so issued shall be deemed to be fully paid up or partly paid up shares as aforesaid.
13. An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any share therein, shall be an acceptance of shares within the meaning of these Articles; and every person who thus or otherwise accepts any shares and whose name is on the Register shall for the purpose of these Articles be a member.
14. The money (if any) which the Directors, shall on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them, shall, immediately on the insertion of the names of the allottee in the Register of Members as the name of holder of such shares, become a debt due to and recoverable by the Company, from the allottee thereof and, shall be paid by him accordingly.
15. If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by instalment every such instalment shall when due be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative.
16. The company may on the issue of more than one class of shares differentiate between the holders of shares of different classes as to the amount of calls to be paid and the times of payment.

Directors may
allot shares
as fully paid
up
Instalments
on shares to
be duly paid

Acceptance of
shares

Deposit and
calls, etc. to
be a debt
payable
immediately

Instalments
on shares to
be duly paid

Shares may
be issued
subject to
different
conditions as
to calls, etc.

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

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

18. No part of the funds of the Company shall be employed in the purchase of or in loan upon the security of the shares of the Company.

Company's funds
may not be
applied in
purchase of or
lent on shares of
the Company

UNDERWRITING AND BROKERAGE

19. The Company may at any time pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares, debentures or debenture stock of the company or procuring or agreeing to procure subscriptions (whether absolute or conditional) for any shares, debentures or debenture stock of the Company but so that if the statutory conditions and requirements shall be observed and complied with and the amount or rate of commission shall not exceed five per cent on the shares and $2\frac{1}{2}$ percent on debentures or debenture stock in each case subscribed or to be subscribed. The Commission may be paid or satisfied in cash or in shares, debentures or debenture stock of the Company.

Commission for
placing shares,
debentures, etc.

CERTIFICATES

20. The certificates of the title to shares shall be issued under the Seal of the Company. It shall be condition of issue of the shares that the certificates of such shares shall be ready for delivery within three months of the allotment or within three months after the application for the registration of the transfer of such shares as the case may be.

Certificate of
Share

21. Every member shall be entitled without payment to one certificate for all the shares registered in his name or if the Directors so approve (upon paying such fee or fees or at the discretion of the Directors without payment of fees as the Directors may from time to time determine) to several certificates each for one or more shares. Every certificates of share shall specify the number and denote numbers of the shares in respect of which it is issued and the amount paid thereon and shall be in such form as the Directors shall prescribe or approve.

Members' rights to certificates

22. If a share certificate is defaced, lost or destroyed it may be renewed in accordance with the share certificate Rules under the Act on payment of such fee, if any, not exceeding fifty naye paise and on such terms, if any as to evidence and indemnity and the payment of out of pocket expenses incurred by the Company in investigating evidence as the Directors think fit.

Issue of new certificate in place of one defaced, lost or destroyed

CALLS

23. The Directors may from time to time make such calls as they think fit upon the members in respect of all moneys unpaid on the shares held by them respectively and not by the conditions of allotment thereof made payable at fixed times and each member shall pay the amount of every call so made on him to the Company at the times and places specified in the notice issued by the Directors. A call may be made payable by instalments.

Call

24. The Directors may, if they think fit, receive from any member willing to advance the same, all or any part of the moneys unpaid in respect of the shares held by him beyond the sum actually called for; and upon the money so paid in advance or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate as the member paying such sum in advance and the Directors agree upon the Directors may at any time prepay the amount so advanced upon giving to such member three months' notice in writing.

Payment in anticipation of calls may carry interest

25. Any money due from the Company to a shareholder may without the consent of such shareholder be applied by the Company in or towards payment of any money due from him to the Company for calls or otherwise.

Money due to
shareholder
by the
company

FORFEITURE AND LIEN

26. If a member fails to pay any call or instalment of a call or before the day appointed for the payment of the same the Directors may at any time thereafter during such time as the call or instalment or any part thereof remain unpaid serve a notice on him requiring payment of so much of the call or instalment as is unpaid together with any interest that may have accrued.

If call or
instalment not
paid, notice must
be given

27. The Notice shall name a day (not being less than 14 days from the date of the notice) on or before which the payment required by the notice is to be made. The notice shall also state that in the event of non-payment on or before the day so named the shares in respect of which the call was made will be liable to be forfeited.

Form of notice

28. If the requisitions of any such notice as aforesaid are not complied with, any of the shares in respect of which such notice has been given, may at any time thereafter before the payment required by the notice has been made be forfeited by a resolution of the Directors to that effect.

In default of
payment of shares
to be forfeited

29. When any share has been so forfeited, an entry of the forfeiture with the data thereof shall be made in the Register of Members.

Entry of forfeiture
in Register of
Members

30. A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Directors think fit.

Forfeited shares to
be property of the
Company and may
be sold etc.

31. The directors may at any time before any share so forfeited shall have been sold or otherwise disposed of, annul the forfeiture on such terms as they think fit.

Power to annul
forfeiture

32. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited share, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all moneys which at the date of forfeiture were presently payable by him to the Company in respect of the shares. The liability of such person shall cease if and when the Company shall have received payment in full of all such moneys in respect of the shares.
33. (1) A duly verified declaration in writing that the declarant is a Director, the Manager, the Secretaries and treasurers, or the manager or the secretary of the Company and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share.
- (2) The Company may received the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of.
- (3) The transferee shall thereupon be registered as the holder of the share.
- (4) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the shares.
34. The provisions of these articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

Shareholders still
liable to pay
money owing at
time of forfeiture
and interest

Declaration of
forfeiture

Provisions
regarding
forfeiture to apply
in the case of non-
payment of sums
payable at a fixed
time

TRANSFER AND TRANSMISSION OF SHARES

35. The Company shall keep a book to be called the 'Register of Transfers' and therein shall fairly and distinctly enter the particulars of every transfer or transmission of any share.

Register of
Transfers

36. The instrument of transfer of any share shall be in writing in the usual common form or in the following form or as near thereto as circumstances will admit.

Forms of
Transfer

NATIONAL SEEDS CORPORATION LIMITED

I, of inconsideration of the sum of Rupees paid to me by (hereinafter called "The transferee") do hereby transfer to the transferee share (or shares) numbered the undertaking called "National Seeds Corporation Limited" to hold unto the said Transferee his (or her) executors, administrators and assigns subject to the several conditions on which I hold the same immediately before the execution thereof, and I the Transferee hereby agree to take the said share (or shares) subject to the said conditions aforesaid. As Witness our hands the day of 20

The Directors may from time to time alter or vary the form of such transfer

Witness to the signature of etc.

The Directors may from time to time alter or vary the form of such transfer.

37. Every such instrument of transfer shall be signed both by the transferor and 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.

To be executed
by transferor &
transferee

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

Transfer and
transmission of
shares

- (a) A share may be transferred by a member or other person entitled to transfer only to a person approved by the President.

(b) Subject as aforesaid, the Directors may, in their absolute and uncontrolled discretion, refuse to register any proposed transfer of shares.

39. The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All the instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all transfer deeds lying with the company after such period as they may determine.
40. The Directors shall have power on giving seven days' notice by advertisement as required by Section 154 of the Act to close the register of members or debenture members of the Company for such period or periods of time not exceeding 30 days at a time as to them may seem fit.
41. The Company shall incur no liability, responsibility whatever in consequence of their 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 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 them of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Directors shall so think fit.

Custody of
Transfer

Closure of
transfer books

The Company
not liable for
disregard of a
notice
prohibiting
registration of
transfer

INCREASE, REDUCTION AND ALTERATION OF CAPITAL

42. Subject to the approval of the President, the Directors may, with the sanction of the Company in General Meeting, increase the share capital by the creation of new shares of such amounts as the resolution shall prescribe.
- Increase of
Capital
43. Subject to such directions as may be issued by the President in this behalf, and 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 thereof shall direct and if no direction be given as the Directors shall determine and in particular such shares may be preference shares.
- On what
condition new
shares may be
issued
44. The new shares (resulting from an increase of capital as aforesaid) may be issued of disposal of in accordance with the provision of Article 11.
- When to be
offered to existing
members
45. Except so far as otherwise provided by the conditions of issue or by these Articles any capital raised by the creation of new shares shall be considered part of the original capital and shall be subject to the provisions herein contained with reference to the payment of calls and instalments, transfer and transmission, forfeiture, lien, surrender, voting and otherwise.
- Same as original
capital
46. Subject to the provisions of Sections 100-104 of the Act and to such directions as may be issued by the President in this behalf, the Company may from time to time by Special Resolution reduce its share capital (including the Capital Redemption Reserve Fund, if any) in any way authorised by law and in particular may pay off and paid-up share capital upon the footing that it may be called up again or otherwise and may, if and so far as is necessary, alter its Memorandum by reducing the amount of its share capital and of its share accordingly.
- Reduction of
Capital

47. Subject to the approval of the President the Company may in General Meeting alter the conditions of its Memorandum as follows:

Consolidation,
division and sub-
division

- (a) Consolidate and divide all and any of its share capital into shares of larger amounts than its existing shares.
- (b) Sub-divide shares or any of them into shares of smaller amounts than originally fixed by the Memorandum subject nevertheless to the provisions of the Act in that behalf. Subject to these Articles the resolution by which any shares are subdivided may determine that as between the holders of the shares resulting from such subdivision one or more of such shares may be given any preference or advantages or otherwise over the others or any other such shares.
- (c) Cancel shares which at the date of such General Meeting have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the share so cancelled.

MODIFICATION OF CLASS RIGHTS

48. If at any time the share capital of the Company by reason of the issue of preference shares or otherwise, is divided into different classes of shares, all or any of the rights attached to the shares of any class may, subject to the approval of the President of India and also the provisions of Sections 106 and 107 of the Act be varied (a) with the consent in writing of the holders of at least three-fourth of the issued shares of that class or (b) with the sanction of a special resolution passed at a separate meeting of the holders of the issued shares of that class, and all the provisions hereinafter contained as to General Meeting shall, mutatis mutandis apply to every such meeting, except that the quorum thereof shall be members holding or representing by proxy one-fifth of the nominal amount of the issued shares of that class.

Power to modify
rights