

## Acknowledgement of Stamp Duty payment for Articles of Association

**Name of office of RoC :** Registrar of companies , Kerala and Lakshadweep

**State/ Union Territory :** Kerala

**Serial Number (SRN) :** D05846340

**Payment Date :** 21/05/2013

**Value in Rupees :** 10,000.00

**Value in Words :** Rupees ten thousand only

**Date of Generation :** 03/06/2013

**Corporate Identity Number (CIN) :** U01133KL2013PTC034260

**Company Name :** THEJASWINI COCONUT FARMERS PRODUCER  
COMPANY LIMITED

**Company Address :** C.P.II-376/K7, FIRST FLOOR, THATTASSERY BUILDING,  
CHERUPUZHA P.O,  
KANNUR - 670511,  
Kerala, INDIA

**THE COMPANIES ACT, 1956**  
**COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION**  
**OF**  
**THEJASWINI COCONUT FARMERS PRODUCER COMPANY LIMITED**

**TABLE A SHALL APPLY**

1. The Regulation contained in Table "A" of First Schedule to the Companies Act, 1956 so far as applicable to producer companies and to the extent not varied, altered or modified by the regulations hereinafter contained shall apply to the Company.

**INTERPRETATION CLAUSES**

2. In these presents the following words and expressions shall have the following meanings unless excluded by the subject or context:-

"THE ACT" or "COMPANIES ACT"

- (a) "THE ACT" or the "Companies Act" shall mean "Companies Act, 1956" or any statutory modification or re-enactment thereof for the time being in force.

"THE BOARD" or "THE BOARD OF DIRECTORS"

- (b) "THE BOARD" or "THE BOARD OF DIRECTORS" means the Board of Directors of the Company.

"THE COMPANY" or "THIS COMPANY"

- (c) "The Company" or "This Company" means THEJASWINI COCONUT FARMERS PRODUCER COMPANY LIMITED.

"DIRECTORS"

- (d) "Directors" mean the directors including Alternate Directors for the time being of the company whether in meeting assembled or not.

"WRITING"

- (e) "In Writing" includes printing, lithography, typewriting, computer print-outs and any other usual substitute for writing.

“MEMBERS”

- (f) “Members” mean Members of the company whose name appears in the Register of members of the company.

“MONTH”

- (g) “Month” means a Calendar month.

“PAID-UP”

- (h) “Paid-up” shall include “Credited as paid up”

“PERSON”

- (i) “Person” shall include any Corporation or Company, Producer Institutions as well as individuals.

“PRODUCER”

- (j) “Producer” means any person engaged in any activity connected with or relatable to any primary produce.

“PRODUCER INSTITUTION”

- (k) “Producer Institution” means a producer company or any other institutions having only producer or producers or Producer Company or producer companies as its member whether incorporated or not having any of the objects referred to in Section 581 B and which agrees to make use of the services of the company.

“THESE PRESENTS” or “THESE REGULATIONS” or “THESE ARTICLES”

- (l) “These presents” or “These regulations” or “These Articles” shall mean these Articles of Association as now framed or altered from time to time and shall include the Memorandum where the context so requires.

“REGISTER”

- (m) “Register” means the Register of Members to be kept as required by Section 150 of the Act.

“THE SEAL”

- (n) “The Seal” means the common seal for the time being of the Company.

“SECTION”

- (o) “Sec.” Or “Section” means Section of the act.

### **PRODUCER COMPANY**

3. (i) The company is a Producer Company within the meaning of Section 581A(1) of the Act.
- (ii) All the limitations, restrictions and provisions of the Act, other than those specified in Part IX A of the Act, applicable to a private company shall apply to this company, as if it is a private limited company in so far as they are not in conflict with the provisions of part IX A of the Act.
- (iii) The company is deemed to be a private Company within the meaning of Section 581C(5) of Companies Act, 1956 with a minimum paid-up capital of One Lakh Rupees or such higher paid up capitals as may be prescribed and accordingly,
  - a) Restricts the right to transfer its shares, if any: -
  - b) Prohibits any invitation to the public to subscribe for any shares in, or debentures of, the company;
  - c) Prohibits any invitation or acceptance of deposits from persons other than its members.

### **SHARE CAPITAL**

4. The authorised Share Capital of the company is Rs 40000000/- (Rupees Four Crores Only) divided into 40000 (Forty thousand) Equity Shares of Rs.1000/- (One Thousand Rupees Only) each.

### **ISSUE OF SHARES ONLY TO PRIMAY PRODUCERS**

5. Shares of the company shall be issued only to individual producers or producer institutions.

### **ISSUE OF SHARES OTHER THAN FOR CASH**

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

## **VOTING RIGHT**

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

## **TRANSFERABILITY OF SHARES AND ATTENDANT RIGHTS**

8. i. Save as otherwise provided in sub-clause (ii) to (iv) of the shares of the company shall not be transferable.
- ii. A member after obtaining the previous approval of the Board may transfer the whole or part of his shares along with any special right to an active member at par value.
- iii. Every member shall, within three months of becoming a member in the Producer Company, nominate, in the manner specified in articles, a person to whom his shares in the Producer Company shall vest in the event of his death.
- iv. The nominees shall, on the death of the Member, becoming entitled to all the rights in the shares of the Producer company and the Board of that Company shall transfer the shares of the deceased Member to his nominees.  
Provided that in case where such nominee is not a producer, the Board shall direct the surrender of shares together with special right if any to the company at par value or such other value as may be determined by the Board.

## **SURRENDER OF SHARES**

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

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

### **CHIEF EXECUTIVE**

10. A chief executive officer shall be appointed to look after day-to-day matters in terms of Section 581 (W) of the Act and he need not be Director but shall be an ex-officio member on the Board.

### **MEMBERSHIP**

11. (a) The membership shall be voluntary and available to all eligible persons that is individual producers and producer institutions that can participate or avail of the facilities or services of the Company, and are willing to accept the duties of membership. Active member means a member who fulfills the quantum and period of patronage of the company as required by Articles. A producer institution has to hold shares worth at least Rs 50000/-.

b) A member shall not have business interest in conflict with company's objects.

### **LIMITED RETURN**

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

### **DISTRIBUTION OF SURPLUS**

13. The surplus arising out of the operations of the company shall be distributed in an equitable manner by-

- i. Providing for the development of the business of the Company;
- ii. Providing for common facilities, and
- iii. Providing for the education of members, employees and others on the Principles of Mutuality and Mutual Assistance.
- iv. Distributing amongst the Members, as may be admissible in proportion to their respective participation in the business.

14. The Company shall actively co-operate with other Producer Companies (and other organizations following similar principles) at local, national or international

level so as to best serve the interest of their Member and the communities it purports to serve.

## **DIRECTORS**

15. The company shall be administered by a Board consisting of persons elected or appointed as directors in the manner consistent with the provisions of the act and the Board shall be accountable to Members;

16. The company shall have at least five and not more than 15 directors.

17. The members mentioned in the Memorandum as first Directors shall govern the affairs of the company until the directors are elected or appointed in accordance with the provisions of section 581 P of the Act.

18. The following shall be the first directors of the company.

- i. Mr. Sunny George
- ii. Mr. Manual Mathew
- iii. Mr. Panthalanickal Mathew Sesatian
- iv. Mr. Sebastian Kandathil Antony
- v. Mr. Joykutty Vincent
- vi. Mr. Baby Jacob
- vii. Mr. Bijoy Augustin
- viii. Mr. Chorikavil Ulahannan Thomas
- ix. Mr. Jobin Mathew
- x. Mr. Jose Augustine
- xi. Mr. Parayankuzhiyil Jose
- xii. Mr. Kizhukarakatt Augustin Sebastian
- xiii. Mr. Shaji Jose
- xiv. Mr. Shelji Sebastian
- xv. Mr. Vincent Thalappillil Luke

19. A director shall hold office for a period not less than 1 year and not more than 5 years.

20. (a) The directors shall be elected or appointed by the members in the Annual General Meeting.

(b) A member shall be eligible for election to the office of director at any general meeting, if he or some other member intending to propose him, has not less than 7 days before the meeting, left at the office of the company a notice in writing under his hand signifying his candidature for the office of a director or the intention of such member to propose him as a candidate for that office, as the case may be, if the member succeeds in getting elected as a director.

On receipts of a notice as above, the company shall move a resolution for his appointment as a director at the meeting.

21. The Board may co-opt one or more expert directors or additional directors not exceeding one fifth of the total number of directors or appoint any other person as additional director for a period not exceeding 3 years provided such appointment is approved in the immediately following Annual General Meeting. Such expert directors shall not have the right to vote in the election of the chairman but shall be eligible to be elected as chairman.

22. The office of the directors shall become vacant if-

- a. He is convicted by a Court of any offence involving moral turpitude and sentenced in respect thereof to imprisonment for not less than 6 months;
- b. The company has made a default in repayment of any advances or loans taken from any company or institution or any other person and such default continues for ninety days.
- c. He has made a default in repayment of any advances or loans taken from the Company.
- d. The Company-
  - i. Has not filed the Annual Accounts and annual return for any continuous three financial years or
  - ii. Has failed to, repay its deposit or withheld prices or patronage bonus or interest thereon on due date, or pay dividend and such failure continues for one year or more;
- e. Default is made in holding election for the office of director, in accordance with the provisions of this Act and articles;



- f. The annual general meeting or extraordinary general meeting of the company is not held in accordance with the provisions of the Act except due to natural calamity or such other valid reason.

#### **POWERS AND FUNCTIONS OF THE BOARD**

23. (a) Subject to the provisions of the Act and Articles, the Board of Directors of the Company shall exercise all such powers and to do all such acts and things, as the company is authorised so to do.

(b) In particular and without prejudice to the generality of the foregoing powers, such powers may include all or any of the following matters, namely:-

- i. Determination of dividend payable;
- ii. Determination of the quantum of withheld price and recommend patronage to be approved at general meeting;
- iii. Admission of new members;
- iv. Pursue and formulate the organizational policy, objectives, establish specific long-term and annual objectives and approve corporate strategies and financial plans;
- v. Appointment of a Chief Executive and such other officers of the Company, as may be specified in the articles;
- vi. Exercise superintendence, direction and control over Chief Executive and other officers appointed by it;
- vii. Cause proper books of account to be maintained; prepare annual accounts to be placed before the annual general meeting with the auditor's report and the replies on qualifications, if any, made by the auditors;
- viii. Acquisition or disposal of property of the Company in the ordinary course of its business.
- ix. Investment of the funds of the Company in the ordinary course of its business.
- x. Sanction any loan or advance, in connection with the business activities of the Company to any Member, not being a director or his relative;
- xi. Take such other measures or do such other acts as may be required in the discharge of its functions or exercise of its powers.

- c) All the powers specified in sub-sections (a) and (b) shall be exercised by the Board, by means of resolution passed at its meeting on behalf of the Company.
- 24. A meeting of the Board shall be held not less than once in every three months and at least four such meetings shall be held in every year.
- 25. Notice of every meeting of the Board of directors shall be given in writing to every director for the time being in India, and at his usual address in India, not less than seven days prior to the date of meeting. Provided that a meeting of the board may be called at shorter notice and the Board thereof shall record the reasons in writing.
- 26. The quorum for a meeting of the Board shall be one-third of the total strength of directors or 3 directors, which is higher.
- 27. Directors including co-opted directors may be paid such fees and allowances for attendance at the meetings of the board as may be decided by the members in general meeting, subject to the provisions of the Act.
- 28. a) The Board of Directors of the Company may appoint alternate Director to act for a director (hereinafter called in this clause the original director) during his absence for a period of not less than three months from the state of Kerala.  
b) An Alternate Director appointed under sub-clause (a) shall not hold office as such for a period longer than that permissible to the original director in whose place he has been appointed and shall vacate office if and when the original director returns to the state of Kerala.
- 29. The Board of Directors may, if they so desire, appoint one of their members to be the Managing Director, Joint Managing Director or Joint Managing Directors or other whole time Directors and fix their powers, responsibilities and remuneration.
- 30. The Board of Directors may, if they so desire appoint one of their members to be chairman of the Board. Mr. Sunny George shall be the first chairman to hold office until he resigns or for five years which ever is earlier.
- 31. The Board shall exercise following powers only by means of resolutions passed at the Annual General Meeting of its members namely,

- a. Approval of budget and adoption of annual accounts of the Producer Company.
  - b. Approval of patronage bonus.
  - c. Issue of bonus shares.
  - d. Declaration of limited return and decision on the distribution of patronage.
  - e. Specify the conditions and limits of loans that may be given by the Board to any Director and
  - f. Approval of any transaction of the nature as is to be reserved in the Articles for approval by the members.
32. When the directors vote for a resolution, or approve by any other means, anything done in contravention of the provisions of this Act or any other law for the time being in force or articles, they shall be jointly and severally liable to make good any loss or damage suffered by the Company.
33. (a) The Board may constitute such number of committees as it may deem fit for the purpose of assisting the Board in the efficient discharge of its functions.
- Provided that the Board shall not delegate any of its powers or assign the powers of Chief Executive, to any committee.
- (b) A committee constituted as above may with the approval of the Board co-opt such number of persons as it deems fit as members of the committee.
- (c) Every such committee shall function under the general superintendence, direction and control of the Board for such duration and in such manner as the Board may direct.
- (d) The fee and allowances to be paid to the members of the committee shall be such as may be determined by the Board.
- (e) The minutes of each meeting of the committee shall be placed before the Board at its next meeting.

## **GENERAL MEETINGS**

34. In each year the company shall hold in addition to any other meetings a general meeting as its annual general meetings and shall specify the meeting as such in the notices calling it and not more 15 months (or such other extended period as may be permitted by the registrar) shall elapse between the date of one annual general meeting and that of the next.
35. The first annual general meeting of the company shall be held within a period of 90 days from its incorporation, in which the members shall adopt the articles of the company and appoint directors.
36. The quorum of the general meeting shall be one-fourth of the total membership of the company.
37. The Board of directors shall, on the requisition made in writing, duly signed and setting out the matters for the consideration, made by one-third of the members entitled to vote in any general meeting, proceed to call an extraordinary general meeting in accordance with the provisions contained in section 169 to 186 of the Act.
38. Every annual general meeting shall be called, for a time during business hours, on a day that is not a public holiday and shall be held at the registered office of the Producer Company or at some other place within the city, town or village in which the registered office of the company is situate.
39. A general meeting of the Company shall be called by giving not less than 14 days prior notice in writing.
40. The notice of the general meeting indicating the date, time and place of the meeting shall be sent to every member and auditor of the company.
41. The Memorandum and Articles of Association of the company shall be laid before a General Meeting to be held within 90 days of the Registration of the Company.

## **ACCOUNTS AND AUDIT**

42. The company shall keep at his registered office proper books of accounts in terms of section 581ZE of the Act.

43. The company shall have internal audit of accounts carried out on a continuous basis by a Chartered Accountant.

### **RESERVES**

44. The company shall maintain a general reserve equivalent to at least 20 percent of the net profit of the company each year. The company shall also maintain a special reserve equivalent to at least 10 percent of the withheld price each year. Any shortfall in the special reserve due to inadequacy of profit shall be made good by the members in the ratio of their patronage out of the withheld price.

### **LOANS TO MEMBERS**

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

### **DEBTS**

46. The Board may raise funds by borrowings subject to the provisions of Sections 293 (1) (d) of the Act.

### **INVESTMENTS**

47. The reserves of the company shall be invested to secure highest returns available from approved securities, fixed deposits, units, bonds issued by the government or co-operative or scheduled bank or in such other mode as may be prescribed by the Act.

The company may for promotion of its objectives acquire the shares of another Producer Company.

48. The company may subscribe to the share capital of or enter into any agreement or other arrangement, whether by way of formation of its subsidiary company, joint venture or in any other manner with anybody corporate, for the purpose of promoting the objects of the company by special resolution.
49. The investment in shares as per clause 47 and 48 shall be subject to section 581ZL (4) of the Act.

50. The Board may with the previous approval of members by a special resolution dispose of any of the investments referred to in clause 47 and 48.

#### **WITHHELD PRICE**

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

#### **PATRONAGE BONUS**

52. The Board shall
- (a) Evolve a system for ascertaining the patronage that is, use of services offered by the company and participation in the business activities of the company, of each member.
  - (b) Determine the patronage bonus to each member in the ratio of patronage.
  - (c) Disburse such bonus either in cash or by issue of equity shares or partly in cash and partly by shares.

#### **SPECIAL USER RIGHTS**

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

#### **BONUS SHARES**

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

## **DIVIDEND**

55. The Board of Directors shall have power, subject to the provisions of the Act, to determine and distribute dividend to the members out of the profits of the company.

## **AMALGAMATION, MERGER OR DIVISION**

56. The company may by a resolution passed at its general meeting-
- i. Decide to transfer its assets and liabilities, in whole or in part, to any other Producer Company, which agrees to such transfer by a resolution passed at its General Meeting.
  - ii. Divide itself into two or more new Producer Companies.
57. Any member or any creditor not consenting to the resolution for amalgamation, merger or division shall, during the period of one month of the date of service of the notice on him have the option-
- a) In the case of any such member, to transfer his shares with the approval of the Board to any active member there by ceasing to continue as a member of the company or.
  - b) In the case of a creditor to withdraw his deposit, loan or advance as the case may be.
58. Any member or creditor who does not exercise his option within the period of one month shall be deemed to have consented to the resolution.
59. A resolution under clause 56 shall not take effect until the expiry of one month or until the assent there to of all the member and creditors has been obtained, whichever is earlier.

## **DISTRIBUTION OF FUNDS**

60. Funds, if available, after meeting liabilities in the event of dissolution or liquidation of the company shall be disposed of or distributed as may be resolved by the members in the General Meeting.

## **RIGHT FOR INFORMATION**

61. The members shall be entitled to obtain information relating to General business of the company if requisition in writing. The Board may however

refuse to divulge any information which the Board considers confidential in the interest of the company.

### **SECRECY CLAUSE**

62. a) No member shall be entitled to visit or inspect the company's works without the permission of the Directors or to require discovery of or any information respecting any detail of the company's trading or any matter which is or may be the nature of a trade secret, mystery of trade or secret process or which may relate to the conduct of the business of the company which in the opinion of the Board or the Secretary it will be inexpedient in the interest of Company of communicate to the public.

b) Every Director, Manager, Secretary, Trustee, Member of the Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the company shall if so required by the board, before entering upon his duties, or at any time during his time of office, sign a declaration pledging himself to observe strict secrecy respecting all transaction of the company and the state of accounts and in matters relating thereto, and shall by such declaration pledge himself not to reveal any matters which may come to his knowledge in the discharge of duties except when required so to do by the Board of Directors or by any General Meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions contained in these articles.

### **AMENDMENT**

63. Any of these articles may be amended as per the provision of Section 581-I of the Act.



Sl. No.	Name, Address, Description and Occupation of subscribers	Signature of subscribers
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1) Sunny George SD/-  
S/o. Thomas Varkey Elamthuruthil  
Elamthuruthil House,  
Choorapadave, Prapoyil P O,  
Kannur-670511  
Agriculture.

2) Manual Mathew, S/o. Mathew SD/-  
Panthalanickal House,  
Thirumeni P O, Thaliparamba,  
Kannur- 670511.  
Agriculture.

3) Panthalanickal Mathew Sesatian SD/-  
S/o. Panthalanickal Mathew Abraham  
214, Panthalanickal House,  
Thirumeni P O, Cherupuzha (Via),  
Kannur-670511.  
Agriculture.

Witness to the above signatures: The above three subscribers signed in my presence at Vyttila, Kochi-19.

P.V. Paulose SD/-  
S/o Paily Varghese  
29/1389, Vyttila, Kochi-19  
Company Secretary (C. P. No: 3992).

Sl. No.	Name, Address, Description and Occupation of subscribers	Signature of subscribers
4)	Sebastian Kandathil Antony S/o. Antony Kandathil House, Pattathuvayal, Kozhichal P.O, Cherupuzha (Via) Kannur- 670511 Agriculture.	SD/-
5)	Joykutty Vincent S/o. Vincent Chacko Mannanal House, Kilianthara P O, Kannur-670706. Agriculture.	SD/-
6)	Baby Jacob S/o. Manayathummari Jacob Manayathumariyil House, Thirumeni, Cherupuzha, Kannur-670511. Agriculture.	SD/-

Witness to the above signatures: The above three subscribers signed in my presence at Vyttila, Kochi-19.

P.V. Paulose SD/-  
S/o Paily Varghese  
29/1389, Vyttila, Kochi-19  
Company Secretary (C. P. No: 3992).

Sl. No.	Name, Address, Description and Occupation of subscribers	Signature of Subscribers
7)	Shaji Jose S/o. Joseph Ganapathiplakkal House Muthuvam, Thirumeni P O, Kannur- 670511. Agriculture.	SD/-
8)	Shelji Sebastian S/o. Sebastian Podimattathil House, Kanamvayal P O, Kannur- 670511 Agriculture.	SD/-
9)	Vincent Thalappillil Luke S/o. Luka Thalapillil House, Beemanadi P O, Nileshwar Via, Kasaragod- 671314 Agriculture.	SD/-

Witness to the above signatures: The above three subscribers signed in my presence at Vyttila, Kochi-19.

P.V. Paulose SD/-

S/o Paily Varghese

29/1389, Vyttila, Kochi-19

Company Secretary (C. P. No: 3992).

Sl. No.	Name, Address, Description and Occupation of subscribers	Signature of subscribers
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10) Bijoy Augustin SD/-  
S/o. Pullolickal Augustin  
Pullolickal House, Chunda P O,  
Kannur- 670511.  
Agriculture.

11) Chorikavil Ulahannan Thomas SD/-  
S/o. Chorikavil Ulahannan Thomas  
Chorikavil House,  
Ottathi P O, Alakode,  
Kannur- 670571.  
Agriculture.

12) Parayankuzhiyil Jose SD/-  
S/o. Joseph  
Parayankuzhiyil House,  
Udayagiri (P O), Alakode (Via),  
Thaliparamba,  
Kannur- 670571.  
Agriculture.

Witness to the above signatures: The above three subscribers signed in my presence at Vyttila, Kochi-19.

P.V. Paulose SD/-  
S/o Paily Varghese  
29/1389, Vyttila, Kochi-19  
Company Secretary (C. P. No: 3992).

Sl. No.	Name, Address, Description and Occupation of subscribers	Signature of subscribers
13)	Kizhukarakatt Augustin Sebastian S/o. Kizhukarakatt Devassia Augustin Kizhakarakatt House, Thirumeni P O, Cherupuzha (Via), Kannur- 670511. Agriculture.	SD/-
14)	Jobin Mathew S/o. Mathew Kayammakkal House, Edavaramba P O , Taliparamba, Kannur- 670511. Agriculture.	SD/-
15)	Jose Augustine S/o. Augusthy Urumbakattu House, Kozhichal P O, Cherupuzha, Thaliparamba- 670511 Agriculture.	SD/-

Dated this 8<sup>th</sup> May 2013 The above three subscribers signed in my presence  
at Vyttila, Kochi-19.

Witness to the above signatures: P.V. Paulose SD/-  
S/o Paily Varghese  
29/1389, Vyttila, Kochi-19  
Company Secretary (C. P. No: 3992).