



सत्यमेव जयते

Form 1

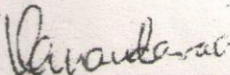
Certificate of Incorporation

Corporate Identity Number : U40102AR2006SGC008237

2006 - 2007

I hereby certify that HYDRO POWER DEVELOPMENT CORPORATION OF ARUNACHAL PRADESH LIMITED is this day incorporated under the Companies Act, 1956 (No. 1 of 1956) and that the company is limited.

Given under my hand at Shillong this EIGHTH day of DECEMBER TWO THOUSAND SIX.


(KORADA ANANDA RAO)

Registrar of Companies
Assam, Tripura, Manipur, Nagaland,
Meghalaya, Arunachal Pradesh and
Mizoram



व्यापार प्रारंभ करने का प्रमाण-पत्र
कम्पनी अधिनियम 1956 की धारा 149(3) के अनुसरण में

कॉर्पोरेट पहचान संख्या : U40102AR2006SGC008237

मैं एतद्वारा सत्यापित करता हूँ कि मैसर्स
HYDRO POWER DEVELOPMENT CORPORATION OF ARUNACHAL PRADESH LIMITED

जिसका निगमन, कम्पनी अधिनियम, 1956(1956 का 1) के अंतर्गत दिनांक आठ दिसम्बर दो हजार छह को किया गया था और जिसने निर्धारित प्रपत्र में घोषणा प्रस्तुत की है या विधिवत सत्यापित किया है कि उक्त कम्पनी ने, अधिनियम की धारा 149(2) (क) से (ग) तक की शर्तों का अनुपालन कर लिया है और व्यापार करने के लिए हकदार है।

यह प्रमाण-पत्र आज दिनांक उन्नीस फरवरी दो हजार दस को मेरे हस्ताक्षर से शिलांग में जारी किया जाता है।

Certificate for Commencement of Business

Pursuant of Section 149(3) of the Companies Act, 1956

Corporate Identity Number : U40102AR2006SGC008237

I hereby certify that the HYDRO POWER DEVELOPMENT CORPORATION OF ARUNACHAL PRADESH LIMITED which was incorporated under the Companies Act, 1956(No. 1 of 1956) on the Eighth day of December Two Thousand Six , and which has this day filed or duly verified declaration in the prescribed form that the conditions of the Section 149(2)(a) to (c) of the said act, have been complied with and is entitled to commence business.

Given under my hand at Shillong this Nineteenth day of February Two Thousand Ten .

(DIP NARAYAN CHOWDHURY)

सहायक कम्पनी रजिस्ट्रार / Assistant Registrar of Companies
असम, त्रिपुरा, मणिपूर, नागालैंड, मेघालय, अरुणाचल प्रदेश, मिजौराम
Assam, Tripura, Manipur, Nagaland, Meghalaya, Arunachal Pradesh and Mizoram

कम्पनी रजिस्ट्रार के कार्यालय अभिलेख में उपलब्ध पत्राचार का पता :

Mailing Address as per record available in Registrar of Companies office:

HYDRO POWER DEVELOPMENT CORPORATION OF ARUNACHAL PRADESH LIMITED
NEAR PUBLIC SERVICE COMMISSION OFFICE, E - SECTOR,
ITANAGAR - 791111,
Arunachal Pradesh, INDIA

(UNDER THE COMPANIES ACT, 1956)
COMPANY LIMITED BY SHARES
MEMORANDUM OF ASSOCIATION
OF
**HYDRO POWER DEVELOPMENT CORPORATION, OF
ARUNACHAL PRADESH LIMITED**

I. NAME OF THE COMPANY	The Name of the. Company is HYDRO POWER DEVELOPMENT CORPORATION OF ARUNACHAL PRADESH LIMITED
II. REGISTERED OFFICE	The Registered Office of the Company will be situated in the State of Arunachal Pradesh
III. OBJECTS	The Objects for which the Company is incorporated are as follows :-
AMAIN OBJECTS	THE MAIN OBJECTS TO BE PURSUED BY THE COMPANY UPON ITS INCORPORATION ARE :-
Act as an Operating Company	1. To act as an operating company by acquiring on lease the existing electric generation, distribution and transmission network alongwith all assets from the Govt. of Arunachal Pradesh on annual lease rent of Rs. 1/- in order to undertake, carryout, construct; takeover, run, manage, maintain, enlarge, alter, renovate, modernize and use electric generating stations, projects associated lines and all things connected thereto including power stations, civil works, cables and wires lines, accumulators, plant, motors, meters, apparatus, materials and things connected with the generation, transmission & distribution of electric power.
Development of Electric Power	2. To judiciously plan, promote, organize an integrated and efficient system for harnessing the vast natural available Hydro, Wind, Gas, Solar Power potential of Arunachal Pradesh with modern methodology and latest state of the art technology as well as project management system in order to generate the clean, cheap, non-polluting, environment friendly, renewable, reliable and inexhaustible quality power for promotion and upliftment of inhabitants of this tribal State, accelerating their overall socio-economic development by upgrading road/rail, communication links and creating necessary infrastructure by undertaking the business of electric power generation, transmission, distribution and sale in phased manner which can be spun off into subsidiary or separate corporations in due course of time depending on the work-load.
Investigate and Diagnose operational Difficulties & weaknesses	3. To study, investigate, collect information and data, review operations, diagnose operational difficulties and weakneses and advise on the remedial measures to improve and modernise existing

Preparation of Feasibility & Project Reports

power generating stations and facilities in the State 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 utilisation of the resources available.

4. To carry on all the related aspects like planning, co-ordination, investigation, research, design, drawings, specifications, tender documents, preparation of feasibility and detailed project reports for speedy and economical execution, construction, acquisition, disposal, generation, operation, maintenance of existing and new electric power stations and projects, purchase and sale of electric power by having arrangements with State/Central Government, National and International Financial

Institutions, Power Finance Corporation, Rural Electrification Corporation, Central Power Authority, State Electricity Boards, Public and Private Power Companies.

Construction of road/bridges, inter-State transmission lines

5. To construct* carry out, maintain, improve, manage, work control, superintend, provide stability by treating catchment, reservoirs and other degraded zones, water works, tanks, dams, lines weirs, roads and bridges hydraulic works, electrical works, factories and other works and conveniences which may directly or indirectly contribute to subsidize or otherwise aid or take part in such operations and to take, where necessary, the construction of inter-State transmission lines and ancillary works for timely and coordinated inter-State exchange of power.

B. INCIDENTAL OBJECTS

OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF THE MAIN OBJECTS:

To obtain charters, concessions etc.

1. To enter into any arrangement, Memorandum of Understanding, agreement with the Government of India or any local or State Government including Govt. of Arunachal Pradesh or with authorities, Supreme, national, 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, loans, indemnities, grants, contracts, decrees, rights, sanctions, privileges, licences or concessions, whatsoever (whether statutory or otherwise) which the company may think fit or which may seem to the Company capable of being turned to account and to comply with work, develop, carry out, exercise and turn to account any such arrangements, concessions, grants, decrees, rights or privileges

2. To obtain licences, certificates and privilege for all necessary purposes from all persons, local authorities, Central and State Governments, to renew the same, to transfer the same in favour of any persons or authorities.

Borrowing Powers

3. Subject to the provisions of section 58A of the Companies Act, 1956 and the rules framed thereunder to borrow or raise money or to receive money or deposits for the purpose of financing the business of the Company by way of loans or sale of debentures,

debenture stock, bonds or otherwise in rupee and foreign currencies and to secure the payment of such money by mortgages and securities of all kinds either perpetual or terminable and either redeemable or otherwise and to charge or secure the same by trust deed or otherwise on the undertaking of the Company including its uncalled capital or upon any specific property and rights, present and future of the Company or otherwise howsoever

To acquire and lease property

4. To acquire by purchase, lease, exchange, hire or otherwise or to construct and maintain factories, works, buildings and conveniences of all kinds, land, buildings, apartments, plant, machinery and hereditament 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.

To acquire business/Companies

5. To acquire, possess and undertake the whole or any part of the business, assets, property, goodwill, rights and liabilities of any person, firm, society, association, corporation or company carrying on any business which the company is authorised to carry on.

6. To take over the existing or future micro hydle, diesel, wind power plant/s, transmission lines, distribution network with all the plants, equipment, establishments from the State Power Department, for running, management on mutually agreed terms' and conditions.

To obtain authority etc. to carry out its objects.

7. To obtain, apply for, arrange for the issue or enactment of order or Act of Legislature or Act of Authority in India or any other part of the world for enabling the Company to obtain powers, authorities, protection, financial and other help, necessary or expedient to carry out or extend 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 endeavors, steps or measures which may seem calculated directly or indirectly to prejudice the Company" interests.

To acquire know-how etc.

8. To apply for, purchase or otherwise any trade marks, patents, brevets or inventions, licences, concessions and the like, conferring any exclusive or non-exclusive or limited right to use of any secret or other information as to any invention 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, right or information so acquired.

9. To negotiate and enter into agreements, and contracts with domestic, foreign or other companies, firms and individuals, organisations with regard to technology transfer, know-how, technical process, technical, financial or other collaboration in connection with purchase of equipment, setting up and operation of any hydro/wind/solar/gas power plant, importing and exporting of equipment., plants, technical know-how, process know-how,

laboratory equipment, apparatuses and other articles and things of any of them for carrying out all or any of the objects of the Company or implementation of whole or part of anyone or more projects of the Company; to carry out anyone or more activities partly or fully connected with such pre-construction, implementation and post construction activities of such projects, to carry out operation and maintenance of power plants owned or undertaken by the Company.

To undertake research, development and training

10. To establish, provide, maintain and conduct or otherwise subsidise research laboratories and experimental workshops for scientific, technical or research 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 as to promote, encourage, reward in every manner, studies and research, scientific and technical investigations and invention of any kind that may be considered likely to assist, encourage and promote rapid advances in technology, economics, import substitution or any business which the company is authorised to carry on.

11. To establish, maintain and operate technical training institutions and hostels for engineers of all types and all other technical staff and artisans and mechanics of all types and kinds and accountants and others in India or in any part of the world; to make such other arrangements as may be expedient for the training of all categories of officers, workers, clerks, storekeepers and other personnel likely to be useful to or assist in any business which the company is authorised to carry on.

To improve property etc.

12. To sell, improve, manage, develop, exchange, loan or lease or let, under lease, sublet, mortgage, dispose of, deal with in any manner, turn -to account or otherwise deal with any rights or property of the company.

13. To acquire, build, undertake, provide and maintain dams, tube wells, barrages, sluices, embankments, tanks, bridges, roads, aqueducts, reservoirs, irrigation works, reclaimed, lands, infiltration galleries, sewers, drains and other works and make contrivances, drill and sink wells, dig, construct canals, mines, underground passages, tunnels, over-ground reservoir, water tunnels and excavate tanks for the purpose of securing adequate supply of water required in any way in connection with the public and other industries for irrigation, domestic sanitation, industrial and other purposes and to store, maintain, sell or loan such supplies.

14. To construct, carry out, maintain, improve, manage, work control, superintend any reservoirs, water works, tanks, dams, weirs, bridges, hydraulic works, electrical works, factories and other works and conveniences which may directly or indirectly contribute to, subsidize or otherwise aid or take part in such operations.

Resettlement & Rehabilitation programmes

15. To undertake, carry out, promote and sponsor any programme of resettlement and rehabilitation of the displaced/affected people

as a result of construction of any hydle power plant/s or any other related activity for rural development including any programme for promoting the social and economic welfare of, or the upliftment of the local people in any rural area of the State and to incur any expenditure on any development programmme/scheme and to assist execution and promotion thereof either directly or through an independent agency or in any other manner.

To invest money

16. To accumulate funds and to invest and otherwise employ monies belonging to or with the company and not immediately required in the purchase or acquisition of any shares, securities or any other investment whatsoever, whether movable or immovable, upon such terms as may be thought proper from time to time, to vary all or any such investment in such manner in which the company may think fit.

To advance money

17. To make advances of money against purchase of materials, supply of goods, machinery, stores and other articles and services required for the purpose of the Company on such terms and conditions as may be considered necessary and to invest money of the Company in such manner as may deem fit and to sell, transfer or deal with the same.

To undertake joint ventures

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

To sell, mortgage property

19. To sell, mortgage, exchange, lease, hypothecate, pledge, create charge, grant licences, easements and other rights or deal with or dispose of the undertaking, investments, property, assets, rights and effects of the Company or any part thereof for such consideration as the Company may think fit including any stocks, shares, debentures or securities, whether partly or fully paid up of any other association, Corporation or company

To enter into Contracts

20. To enter into agreements and contracts with foreign individuals, companies or other organisations for purchase of equipment and for technical, financial -or any other assistance, for carrying out all or any of the objects of the Company.

21. To enter into agreement with any Government or authorities (municipal, local or otherwise) or any corporations, companies or persons which may seem conducive to the company's objects and to obtain from any such Government authorities, corporations, companies or persons any contract, right, privilege and concessions which the Company may think desirable and to carry out, exercise and comply with any such contract, right, privilege and concession.

22. To enter into contracts of indemnity and guarantee.

23. To apply for, tender, purchase or otherwise acquire any contracts and concessions for or relating to the main objects of other company.
- To establish Agencies etc. 24. 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 India or 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.
- To subscribe for shares 25. To subscribe for, underwrite, purchase, otherwise acquire and to hold, dispose of any deal with the shares, stocks, securities and evidences or 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.
- To create Depreciation Fund 26. To create any depreciation fund, reserve fund, sinking fund, insurance fund or any other fund, whether for depreciation or for repairing, improving, extending or maintaining any of the properties of the Company or for redemption of debentures or redeemable preference shares or for any other purposes whatsoever conducive to the interests of the Company.
- To open accounts in Banks 27. To open an account or accounts with any individual, firm or company or with any national or international bank or bankers and to pay into and withdraw money from such account or accounts; to draw, make, accept endorse, discount, re-discount, negotiate, execute and issue bills of exchange, promissory notes, hundies, bills of lading, delivery orders, warrants, ware-house keeping, certificates and other negotiable, transferable or commercial or mercantile instruments connected with the business of the Company.
- Acquisition of Companies 28. To acquire 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 or be advantageous or beneficial to the Company and to sell or dispose of or transfer any such shares, stocks or securities.
- To promote other Companies 29. To promote or concur in the promotion of any company, the promotion of which shall be considered desirable in furtherance of the objects of any object of the Company.
- Reimbursement of preliminary expenses 30. To pay and contract to payout of the funds of the Company all costs, charges and expenses of and incidental to the promotion, formation, registration and establishment of the Company, issue of its capital, arranging, organising to arrange capital including Share Capital, debts, borrowings both domestic and overseas, secured, partly secured or un-secured including any commissions, brokerage fee and charges in connection therewith including any costs, charges, expenses or negotiations and contracts and arrangements made prior to and in anticipation to the formation

	and incorporation of the Company, its subsidiaries, branches in India or abroad.
Agent of Public Sector Financial Institution	31. To act as an agent of Government/Public Sector financial institutions, to exercise all the rights and powers exercisable at any meeting of any Company engaged in the planning, investigation, research, design and 'preparation of preliminary, feasibility and definite project reports, construction, generation, operation, maintenance of Hydroelectric, wind, solar, diesel, gas power stations and projects, transmission, distribution and sale of power in respect of any shares held by the Government, Public Financial Institutions, nationalised banks, insurance companies with a view to secure the most effective utilisation of the financial investments and loans in such companies and the most efficient development of the concerned industries.
To act as an entrepreneurs on behalf of Central or State Government/s	32. To act as an entrepreneur on behalf of the Central or any State Government/s to identify new areas of economic investment and to undertake or help in undertaking of such investments.
As an helper and servicing agency for the subsidiaries	33. To arrange, secure and make available to its subsidiary and other concerned organisations, such facilities, resources, inputs and services as may be required.
Co-ordination and control	34. To coordinate the activities of its subsidiaries to determine their economic and financial objectives/targets and to review, control, guide and direct their performance with a view to secure optimum utilisation of all resources placed at their disposal.
To carry on Consultancy services	35. To promote, organise or carry on the business of consultancy services in any field of activity in which the Company is engaged in.
Collaboration	36. To enter into any arrangement with the Government of India or any foreign Government/s or companies, with any State or authority or with any other person, that may seem conducive to the Company's objects or any of them and to apply for and obtain and to purchase or otherwise and to acquire from any such Government; State Authorities or persons any rights, powers, privilege, licenses, decrees, sanction, grants and concessions whatsoever which the Company may think desirable to obtain and to acquire and to carry out, exercise and comply with any such arrangements, rights, powers, privileges, licenses, decrees, sanctions and concessions.
Assist any Project	37. To aid, assist, any industrial undertaking, projects and enterprises having similar objects whether owned or run by Government of Arunachal Pradesh, firm or individual and to provide managerial, financial and administrative advice and assist in obtaining managerial, technical and administrative services to other organisations, departments, agency in furtherance of the objects of the Company or execution of its works and business.
Non-Conventional Energy Power Project	38. To assist, associate with the Arunachal Pradesh Energy Development Agency (APEDA), Government of India or any local or State Government/s Authority, Departments, Public Sector Undertaking/s in promoting, implementing, developing and defusing

knowledge in various fields of conventional and non-conventional, renewable and alternate energy sources and technologies, evolve and promote energy conservation measures; formulate, and pursue proposals for setting up extension, demonstration projects and programmes in the field such as solar energy wind energy, biogas, biomass and animal power; identify plans and projects for providing total energy requirements of villages and towns by constructing micro/hydro- electric, wind, solar power projects. .

To collect information

39. To arrange, receive and collect all relevant information in regard to any business carried on by the Company.

Registration

40. Subject to the provisions of the Companies Act, 1956 and Foreign Exchange Management Act (FEMA) to procure the registration and other recognition of the Company or its branches in any foreign State and to make all deposits or money or securities and do all things necessary for compliance with the laws and regulations of India or of any foreign government, places where the Company may be desirous or transacting any business.

Manufacturing Trading & other business

41. To carry out the business of purchasing, selling, importing, exporting, producing, trading, manufacturing or otherwise dealing in all aspects of development of power in the State and other parts of the North-Eastern Region.

42. To manufacture, assemble, import, buy, sell, exchange, improve, develop and otherwise deal with electrical Kill Watt hour meters, electrometer, power cables, voltmeters and other type .of measuring instruments, transformers of all types, circuit breakers for consumer commercial, educational and research purposes and all other products which are directly or indirectly used in such type of power generation business.

To Employ Persons

43. To appoint and employ temporarily or permanently or obtain on deputation or otherwise engage any person or persons, engineers, mechanics, masons, carpenters, scaffold-setters, painters, electricians, technicians, salesmen, commercial, administrative and managerial staff and such other staff as may be found necessary for the efficient handling and conduct of the business of the Company or association or body corporate who may be required for purposes of the Company and engage experts to investigate and examine into the condition, prospects, value, character and circumstances of any business concerns and undertakings and generally of any assets, concessions, properties or rights of any business concern and to remunerate any person, firm, company or association of persons for services rendered or to be rendered to, or on behalf of the Company.

Visit Foreign countries

44. To send out to foreign countries its Directors, employees or any other such person for investigating possibilities of any business or trade for producing and buying any machinery or establishing trade connections or for promoting the main business of the Company and to pay all expenses incurred in connection therewith.

To provide for Welfare of employees

45. To provide for the amelioration and welfare of persons employed or formerly employed by the Company and the wives, families,

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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, hospitals and dispensaries, medical and other attendance and other assistance as the Company shall think fit.

Amalgamation / Merger

46. Subject to Sections 391 and 394 of the Companies Act, 1956 and any other applicable law, to merge or amalgamate with any Company or companies having objects altogether or in part similar to those of this Company.

Exercise Corporate powers

47. To exercise all or any of its corporate powers, rights and privileges and to conduct its business in all or any of its branches or other offices and for this purpose to own, establish, have and maintain and to discontinue such number of offices, branches and agencies as may be necessary and convenient.

Promotional Activities

48. To communicate with Chambers of Commerce and other mercantile and public bodies in India and elsewhere and concert and promote measures for the protection and advancement of trade, industry and commerce and other facilities.

49. To maintain close contact with other institutions in India and other parts of the world having similar objectives either wholly or partially, by way of payment to subscription, enrolment as a member, fiscal or other sort of assistance, collaboration or cooperation or any other way as the Company may deem necessary.

50. To adopt such means of making known the business, interests and services of the Company as it may deem expedient and in particular by exhibiting at and promoting exhibitions, advertising in the press, radio or television, by circular, by purchase and exhibition of works of art or interest, by publication of books and periodicals and by granting prizes, rewards and donations.

51. From time to time establish or to subscribe or contribute guarantee money or to give donation to any charitable, benevolent, religious, scientific or national trusts, funds, associations, and institutions of a public character for any useful object, purpose which in the interest of the Company is likely to promote the interest/ business or to further its objects to increase its repute or popularity among its employees, customers or the public or otherwise and/or to any charitable or useful purpose.

52. To receive/give gifts, grants, donations, benefactions from any source.

Making bye-laws

53. To make and enforce Rules and Bye-laws for the conduct of the affairs of the Company and to add, amend, vary or rescind the same from time to time.

To act as Suppliers & Dealers

4. To carry on the business of suppliers and dealers of every kind of article, plant and machinery, product, materials used for building or allied objects, whether for Company's own use or for sale and disposal as may be conducive to the carrying on the objects of the Company or that may assist the Company in any other manner.

Promoting tourism

5. To construct, develop, manage resorts, tourist lodges, tourist bungalows, hotels, cottages, motels, guest houses, spiritual and natural healing centers, nature observation facilities, glass house, amusement parks, science museum, infrastructure of water-sports, adventurous sports and provide boarding, lodging, stay, comfort and entertainment to Company's employees, guests, domestic as well as foreign tourist.



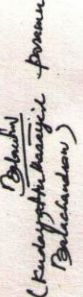
IV LIMITED LIABILITY

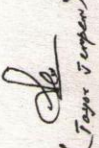
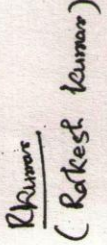

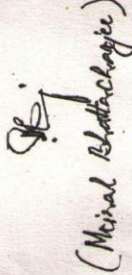
The liability of the Members is limited.

V. AUTHORISED CAPITAL

The Authorised Share Capital of the Company is Rs. 5,00,00,000 (Rupees Five Crore) divided into 5,00,000 (Five lakh) Equity Shares of Rs. 100 (Rupees one hundred) each.

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 equity shares in the capital of the Company set opposite our respective names.

Names, Address, Description and Occupation of the Subscriber	No. of Equity Shares taken by each Subscriber	Signature of the Subscriber	Signature, Name, addresses, occupation of witness
<p>1. Governor of Arunachal Pradesh Through Shri Tumke Bagra S/o. Hortum Bagra H. No. PHED T-V/ No-1 'C' Sector, Itanagar Dist. Papumpare - Arunachal Pradesh - 791111 Secretary (Power & NCER) Govt. of Arunachal Pradesh Itanagar. Occupation : Service</p>	<p>4994 (Four thousand nine hundred ninety four only)</p>	 <p>(Tumke Bagra)</p>	<p>I witnesses the Signatures of 3 (three) subscribers</p> <p>(Rajesh Kumar Jain) Chartered Accountants S/o. Sri Kapoor Chand Jain 2nd Floor, Sanmati Plaza, G.S. Road, Guwahati-781 005 Phone No. - 062445</p>
<p>2. Pulak Deb S/o. Late Paresh Chandra Deb Shiv Apartment, Lachit Nagar 7th Bye lane, Guwahati - 781007 Dist. Kamrup, Assam Advisor (Power) Dept. of Power, Govt. of Arunachal Pradesh, Itanagar Nominee of the Governor of Arunachal Pradesh Occupation : Service</p>	<p>1 (One)</p>	 <p>(Pulak Deb)</p>	
<p>3. Kudayattu Thasayil Paramu Balachandraw, S/o. Late Kudayattu Thasayil Paramu Under Secretary, A.P. Secretariat, Itanagar, Panchatheertha PO / PS - Elanthoor-689643 Dist. Pathanamphitta Kerala State Nominee of the Governor of Arunachal Pradesh Occupation : Service</p>	<p>1 (One)</p>	 <p>(Kudayattu Thasayil - Paramu Balachandraw)</p>	

Names, Address, Description and Occupation of the Subscriber	No. of Equity Shares taken by each Subscriber	Signature of the Subscriber	Signature, Name, addresses, occupation. of witnesses
<p>4. Shri Tayor Jempen S/o. Late Talum Tempen Dy. Secretary (Power) Government of Arunachal Pradesh, Itanagar Vill / PO. / PS - Alorg</p>	<p>1 (One)</p>	 (Tayor Jempen)	
<p>5. Rakesh Kumar S/o. Sh. Surya Mal Sharma Vill & P.O. - Rohana Kalan Distt. - Muzaffarnagar Uttar Pradesh, Pin - 251202 Executive Engineer (E) Deptt. of Hydro Power Development, Govt. of Arunachal Pradesh, Itanagar Nominee of the Governor of Arunachal Pradesh Occupation : Service</p>	<p>1 (One)</p>	 (Rakesh Kumar)	
<p>6. Lipe Ete S/o. Marli Ete Chief Engineer, Govt. of Arunachal Pradesh, Itanagar 'C' Sector, Bank Tinali, Itanagar Distt. Papum Pare Arunachal Pradesh - 791111 Nominee of the Governor of Arunachal Pradesh Occupation : Service</p>	<p>1 (One)</p>	 (Lipe Ete)	
<p>7. Mrinal Bhattacharjee S/o. Sisir Ranjan Bhattacharjee EE (HQ) Deptt. of HPD Government of Arunachal Pradesh, Itanagar Vill.- Shiv Mandir, PO / PS - Siliguri, Dist.-Darjeeling State - West Bengal Pin - 734433 Nominee of the Governor of Arunachal Pradesh Occupation : Service</p>	<p>1 (One)</p>	 (Mrinal Bhattacharjee)	

(UNDER THE COMPANIES ACT, 1956)

COMP ANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

**HYDRO POWER DEVELOPMENT CORPORATION OF
ARUNACHAL PRADESH LIMITED**

INTERPRETATION

Interpretation clause	1. 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	"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 Legislature in relation to Companies.
The Board or Board of Directors	"The Board or the "Board of Directors" means a meeting of the Directors duly called and constituted or as the case may be, the Directors assembled at a Board or the requisite number of Directors entitled to pass a circular resolution in accordance with the Act.
Bye-Laws	"Bye-laws" means the Bye-laws which may be made by the Directors of the Company under these Articles and which may for the time being be in force.
Capital	"Capital" means the Capital for the time being raised or authorised to be raised for the purpose of the Company.
Chairman	"Chairman" means the Chairman of the Board of Directors for the time being of the Company and includes "Chairman-cum-Managing Director".
The Company or this Company	"The Company" or "This Company" means "Arunachal Power Development Corporation Limited".
Directors	"Directors" means the Directors for the time being of the Company and includes whole-time functional Directors, part-time official Directors as the case may be, Directors assembled at Board.
Divided	"Dividend" includes bonus shares.
Executor or Administrator	"Executor" or "Administrator" means a person who has obtained Probate or Letters of Administration, as the case may be, from some competent court.

Gender	Words importing the masculine gender also include the feminine gender.
Government Company	"Government Company" means any Company in which not less than fifty-one percent of the paid up Share Capital is held by the Central Government or by any State Government or Governments or party by the Central Government and party by one or more State Government [and include a company which is a subsidiary of a Government Company as thes defined.]
Government Corporation	"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.
Month	"Month" means a calendar month.
Office	"Office" means the Registered Office for the time being of the Company.
Persons	"Persons" includes Corporations as well as the singular number.
Plural number	Words importing the plural number also include the singular number.
The Governor	"The Governor" means the Governor of Arunachal Pradesh
Register	"Register" means the Register of Members or Debenture Holders to be kept pursuant to the Act.
Registrar	"Registrar" means the Registrar of Companies of the State in which the Registered Office of the Company is situated.
These Presents or Regulations	"These Presents" or "Regulations" means these Articles of Association as originally framed or altered from time to time and include Memorandum where the context so requires.
Seal	"Seal" means the Common Seal for the time being of the Company.
Singular number	Words importing the singular number include the plural number.
Shares	"Shares" means the shares or stock into which the capital is divided and the interest corresponding with such shares or stock.
Writing	"Writing" shall include printing and lithography and any other mode or modes of representing or reproducing words in a visible form.
Expression in the Act to bear the same meaning in Articles	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.
Marginal Notes	The marginal notes hereto shall not affect the construction hereof
Table 'A' not to apply	2. The Regulations in Table' A' in the First Schedule to the Act, shall not apply to the Company except so far as the same are repeated or contained in or expressly made applicable by these Articles or by the Act.
Company to be Governed by these Articles	3. The Regulations for the management of the Company and for the observance of the members thereof and the 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, be such as are contained in these Articles.

Company is a PSU Public Company

4. The Company is a "PSU Public Company" within the meaning of Section 3(1) (iii) of the Companies Act, 1956 as amended by the Companies (Amendment) Act, 2000 and defined as:

- (a) The words "PSU Public company" means a company which by its articles has a minimum paid-up capital of one lakh rupees or such higher paid-up capital as may be prescribed by its Articles;
- (b) Restricts the right to transfer its shares, if any;
- (c) Limits the number of its members to fifty not including -
 - i) persons who are 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; and
- (d) Prohibits any invitation or acceptance of deposits from persons other than its Members, Directors or their relatives.
- (e) Prohibits any invitation to the public to subscribe for any shares in, or debentures of, the Company:

Provided that two or more persons hold one or more shares in a company jointly, they shall, for the purpose of this definition, be treated as a single member.

Right to convert it into a Public Company

The Members are at any time entitled to convert it into a Public Company under the provisions of Section 44 of the Companies Act, 1956.

CAPITAL AND SHARES

Capital

5. The Authorised Share Capital of the Company of Rs. 100 (Rupees one hundred) each. The Company may increase its Authorised Share Capital by such amount as it may think expedient by issuing new shares in the manner prescribed in the Act.

Types of Share Capital

6. Pursuant to Companies (Amendment) Act, 2000, the Share Capital of the company shall be of two kinds only as per section 85 and 86 of the Act, namely :-

(a) Equity Share Capital-

(i) with voting rights; or

(ii) with differential rights as to dividend, voting or otherwise in accordance with such rules and subjects to such conditions as may be prescribed;

b) Preference Share Capital as defined in the section.

Preference Shares

7. Subject to the provisions of Section 80 of the Act, the Company shall have power to issue preference shares carrying a right of

redemption or liable to be redeemed at the option of the Company, and the Directors may, subject to the provisions of the Act and of these Articles exercise such power in any manner prescribed by the resolution of the Board of Directors authorizing issue of such shares.

8. On the issue of redeemable preference shares under the provisions of Article 6 and 7 hereof the following provisions shall effect -

- (a) no such shares shall be redeemed except out of the profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares, made for the purpose of the redemption;
- (b) no such shares shall be redeemed unless they are fully paid;
- (c) the premium, if any, payable on redemption must have been provided for out of the profits of the Company or the Company's Share Premium Account before the shares are redeemed;

where any such shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund to be called the "Capital Redemption Reserve Account", a sum equal to the nominal amount of the shares redeemed and the provisions of the Act relating to the reduction of the share capital of the Company, shall except as provided in Section 80 of the Act apply as if the Capital Redemption Reserve Account were paid up share capital of the Company.

9. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) shall be subject to the provisions of Section 86 and 87 of the Act and can be varied as per the provisions of section 106 of the Act.

10. Subject to provision of Section 77 A and 77 B of the Act, no part of the funds of the Company shall be employed in the purchase of or in giving loans upon the security of the Company's shares.

Allotment of Shares

11. Subject to the provisions of the Act and these Articles and to the rights of the Governor or terms and conditions of any agreement entered by the Company with the other State/Central Power Development Corporation, Power Finance Corporation, national and foreign financial institutions, other participating State/Central Government, the shares shall be under the control of the Board of Directors who may allot or otherwise dispose of the same to such person on such terms and conditions as it may think fit and with full power to make calls on any shares whether at par or at a premium or subject to provisions of the Act at a discount and for such time and for such consideration as the Directors think fit.

SHARE CERTIFICATES

Members' right to certificates

12. Every person whose name is entered as a member in the Register shall, without payment, be entitled to a certificate, under the common seal of the Company, specifying the share or shares held by him and the amount paid thereon.

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

13. 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 fee, not exceeding fifty 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.

TRANSFER AND TRANSMISSION OF SHARES

Transfer and Transmission of Shares or Debentures

14. The rights of members to transfer their shares shall be restricted as follows:-

(a) A share can be transferred by a member or other person entitled to transfer only to a person approved by the Governor or as per terms and conditions of the agreements, arrangements entered into by the Company with any capital participating partners and shall be governed by the relevant and applicable provisions of Part-IV of the Act.

(b) Subject as aforesaid, the Board may, in its absolute and uncontrolled discretion, refuse to register any transfer of shares without assigning any reason.

Register of transfers

15. The Company shall keep the Register of Transfer of Shares and Transfer of Debentures/Bonds and therein enter the particulars of several transfers or transmission of any share or debenture.

Execution of Transfer

16. The instrument of transfer of any share or debenture in the company shall be executed both by the transferor and transferee; and the transferor shall be deemed to remain holder of the share or debenture until the name of the transferee is entered in the Register of Members or Debenture-holders in respect thereof.

Transmission of Shares

17. Nothing contained in Article 14 shall prejudice any power of the company to register as Shareholder or Debenture holder, any person to whom the right to any share or debenture in the company has been transmitted by operation of law.

INCREASE, REDUCTION AND ALTERATION OF CAPITAL

Increase of Capital

18. Subject to the approval of the Governor and subject to the provisions of the Act, the Company in a General Meeting, may increase the share capital by such sum to be divided into shares of such amount as the resolution shall prescribe.

On what conditions new shares may be issued

19. Subject to such directions as may be issued by the Governor in this behalf, 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.

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

When to be offered to existing members

20. The new shares (resulting from an increase of capital as aforesaid) may be issued or disposed of in accordance with the provisions of Article 11.

Same as original capital

21. 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.

Reduction of Capital

22. Subject to the provisions of Sections 100 to 104 of the Act and to such directions as may be issued by the Governor in this behalf, the Company may, from time to time, by special resolution, reduce its capital by paying off capital 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 seem 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 surrenders of shares.

Sub-division and consolidation of shares

23. Subject to the approval of the Governor, 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 (I) (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.

BORROWING POWERS

Power to Borrow

24. Subject to the approval of the Governor and the provisions of Section 292 of the Act, the Board may, by means of a resolution passed at a meeting or the Board from time to time, borrow and/or secure the payment of any sum or sums of money for the purpose of the Company provided that No approval of the Governor would be necessary for borrowing from the banks/national and foreign financial institutions, fund contributing partners for the purpose of meeting the working capital requirements on the hypothecation of the Company's current assets.

Conditions on which money may be borrowed

25. The Board may secure the repayment of mone). in such manner and upon such terms and conditions in all respects as it thinks fit and in particular, by the issue of bonds, perpetual or by creating any mortgage, redeemable debentures or debenture stock or charge or other security on the undertaking of the whole or any part of the property of the Company (both present and future).

26. Subject to the approval of the Governor and subject to Sections 79 and 117 of the Act, any bonds, may be issued at a discount, premium or otherwise and with any special privileges as to redemption, surrender" drawings and allotment of shares.

GENERAL MEETINGS

Convening General Meeting

27. The Company shall in each year hold in addition any apy other meeting a General Meeting as its Annual General Meeting in pursuance of Section 166 of the Act and shall specify the meeting as such in the notice calling it. Any other General Meeting shall be called as "Extraordinary General Meeting"

Notice of General Meeting

28. At least Twenty One clear days' notice in writing, specifying the place, day and hour of General Meeting with a statement of the

business to be transacted at the meeting shall be served on every member in the manner provided by the Act but with the consent, in writing, of all the members entitled to receive notice of same, any general meeting may be convened by such shorter notice and in such manner as those members may think fit.

Omission to give notice not to invalidate a resolution passed

29. The accidental omission to give notice to or the non-receipt thereof by any member shall not invalidate any resolution passed at any such meeting.

Quorum

30. At least two members present in person of whom one shall be a representative of the Governor shall be the quorum for a General Meeting.

Right of Governor to appointing any person as its Representative

31. (1) The Governor, so long as he is a shareholder of the Company, may from time to time, appoint one or more persons (who need not be a member or members of the Company) to represent him at all or any meetings of the Company.

(2) A person appointed under sub-clause (1) of this Article shall, for the purposes of the meeting be deemed to be a member of the Company and shall be entitled to exercise the same rights and powers (including the rights to vote by proxy) as the Governor could exercise as a Member of the Company.

(3) The Governor may, from time to time, cancel any appointment made under sub-clause (1) of this Article and make fresh appointment. The production at the meeting of an order of the Governor shall be accepted by the Company as sufficient evidence of any such appointment or cancellation as aforesaid.

(4) Any person appointed by the Governor under this Article may appoint a proxy whether specially or generally.

Chairman of General Meeting

32. The Chairman of the Board of Directors including the Chairman-cum-Managing Director or in his absence the Executive Director shall be entitled to take the Chair at every General Meeting but if neither the Chairman nor the Executive Director is to be present within fifteen minutes after the time appointed for holding such meeting or is unwilling to act as Chairman, the members present shall choose another Director as Chairman and, if no Director shall be present, or if all the Director present decline to take the Chair, then the members present shall choose one of their member to be the Chairman of the meeting.

Chairman's decision conclusive

33. The Chairman of any General Meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.

VOTE OF MEMBERS

Votes

34. Every member entitled to vote and present in person or by proxy shall have one vote on a show of hands and upon a poll one vote for each share held by him.

Votes in respect of shares of deceased members

35. Any person entitled under the transmission clause to transfer any shares may vote at a General Meeting in respect thereof as if he was the registered holder of such shares provided that at least 72 hours

before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares unless the Directors shall have previously admitted his right to vote at such meeting in respect thereof.

Form of Proxy

36. Every instrument of proxy for a specified meeting or otherwise shall as nearly as circumstances will admit, be in the form or to the effect following:

HYDRO POWER DEVELOPMENT CORPORATION OF ARUNACHAL PRADESH LIMITED.

Ia member ofdo hereby appointof (or failing himof as my proxy to attend and vote for me and on my behalf at the Annual/ Extraordinary General Meeting of the Company to be held on the day of and at any adjournment thereof.

As witness my hand this..... ..day of..... ..

Signature by the said... ..

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

37. Save as herein otherwise provided, the Directors 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 equitable contingent or other claim to or interest in such share on the part of any person whether or not it shall have expressed or implied notice thereof.

BOARD OF DIRECTORS

Business of the Company by Board

38. The business of the company shall be managed by the Board of Directors.

Number of Directors

39. Until otherwise determined by the Company in a General Meeting, the number of Directors shall not be less than three and not more than twelve including the Chairman-cum-Managing Director and Nominated Directors from the capital/loan/fund contributing State/Central Government Departments, Undertakings, National as well as Foreign Financial Institutions. The Directors may be either wholetime functional directors or part time Directors including the outside professionals/ experts as per the guidelines issued by the Bureau of Public Enterprises from time to time provided the number of non-official Directors shall not be more than one third of the Directors on the Board. The Directors shall not be required to hold any qualification shares. The first Directors on the Board of the Company are:-

Mr. Tumke Bagra

Mr. Lipe Ete

Mr. Pulak Deb

Appointment of Directors

40.(1) Subject to the provisions of the Companies Act, 1956 so long as the entire paid up share capital in the Company is held by the Government of Arunachal Pradesh or by a subsidiary or a wholly owned

Government Company, the Chairman-cum-Managing Director shall be appointed subject to such terms and conditions as may be determined by the Governor.

(2) All other members of the Board of Directors shall be appointed by the Governor in consultation with the Chairman-cum-Managing director of the Company. No such consultation will be necessary in case of appointment of directors representing the State/Central government.

**Directors
Remuneration**

(3) The directors on the Board of the Company shall be paid such salary and/or allowances or remuneration as the Governor may from time to time, determine. Subject to provisions of Section 314 of the Act, such reasonable additional remuneration as may be fixed by the Governor may be paid to anyone or more of the Directors for extra or special services rendered by him or them or otherwise.

**Right to nominate
Director/s**

(4) If the Company enters into any contract with Industrial Development Bank of India (IDBI), Industrial a Credit and Investment Corporation of India (ICICI), Industrial Finance Corporation of India (IFCI), Life Insurance Corporation of India (LICI), Unit Trust of India (UTI) Power Finance' Corporation (PFC), Rural Electrification Corporation (REC) or any other national and international/foreign financial institutions for providing financial assistance by way of loan, subscription of equity, debentures, bonds etc, providing any guarantee or' underwriting the subscriptions of shares of the Company, the Directors shall have power to agree that subject to the provisions of Article 40, such institution's shall have the right to appoint or nominate by notice in writing addressed to the Company one or more Directors on the Board of Directors of the Company during such period and upon such conditions as may be mentioned in the agreement and that such Director's shall not be required to hold any qualification shares. The Directors may also agree that any such Director/s may be removed by the person or persons entitled to appoint or nominate them' and such person or persons may appoint another in his or their place/s and also fill any vacancy which may occur as a result of any such Director/s ceasing to hold thy office for any reason whatsoever. The Director/s appointed or nominated under this Article shall be entitled to exercise and enjoy all the rights and privileges exercised and enjoyed by the Directors of the Company including the payment of remuneration, reimbursement of travelling and halting expenses for attending the Board Meetings, General Meetings and meetings of any Committee of which he is a member, and receive notice, agenda papers and minutes thereof.

**Retirement of
Director eligibility
for re-appointment**

(5) At every alternate Annual General Meeting of the Company every Director, other than the whole-time Director's (i.e. Chairman-cum-Managing Director, Executive Director, Director (Finance), Director (Planning & Design) etc.), part-time official Directors, nominated Director/s, shall retire from office. A retiring Director shall be eligible for re-appointment. The whole-time Director/s and the part-time official Director's shall automatically retire on his/their ceasing to hold the respective office or on attaining the age of superannuation.

(6) In case any Director is an official of the' State/Central Government and occupies such office by virtue of being in such official capacity, services of such Director on the Board of Directors will be co-terminus with his tenure with such office of the Government.

Power to reconstitute the Board of Directors	(7) The Governor may, from time to time or any time remove any part time Director except the nominee Director from office at his absolute discretion and appoint another person in his place and re-constitute the Board of Directors. The Chairman-cum-Managing Director and other whole-time Directors may be removed from office in accordance with the terms of appointment or if no such terms are specified on the expiry of three months notice issued in writing by the Governor with immediate effect on payment of the pay in lieu of the notice period.
Power to fill any vacancy	(8) The Governor shall have the right to fill any vacancy in the office of the Director caused by retirement, removal, resignation, death or otherwise.
Alternate Director	(9) In place of a Director who is out of India or is about to go out of India or who expects to be absent for not less than three months from the State in which meeting of the Directors are ordinarily held, the Governor may appoint, in consultation with the Chairman-cum-Managing Director of the Company any person to be an Alternate Director during his absence out of India or his absence of not less than three months from the State in which the meeting of the Board are ordinarily held and such appointee, whilst he hold office as an Alternate Director shall be entitled to notice of meetings of the Board and to attend and to vote thereat accordingly.
Appointment of Chairman-cum-Managing Director	41.(1) The Governor may, from time to time, appoint the Chairman-cum-Managing Director or any of the Directors to the office of Chairman-cum-Managing Director of the Company for such term and such remuneration (whether by way of salary or otherwise) as he may think fit, and may, from time to time remove or dismiss him or them from office and appoint another or others in his or their place or places in accordance with the provisions of Article 40. Any such Director appointed to any such office shall, if he ceases to hold the office of Chairman-cum-Managing Director/Director from any cause ipso facto, immediately cease to the Director as the case may be.
Leave Vacancy	(2) In the absence of the Chairman-cum-Managing Director on leave or otherwise, the Board may, with the previous approval of the Governor, empower the Executive Director: or any other whole-time Director or any Principal Officer of the Company to perform all or any of his functions and duties. Provided that where such absence is not likely to exceed three months, the previous approval of the Governor shall not be necessary.
Power of Chairman-cum-Managing Director	(3) Subject to the provisions of Sections 292 and 293 of the Act, the Board may, from time to time, entrust and confer upon the Chairman-cum-Managing Director, Executive Director for the time being, such of the powers as they may think fit and may confer such powers for such time and to be exercised for such objects and purpose and upon such terms and conditions and with such restrictions as they may think expedient and may, from time to time, revoke, withdraw, alter or vary all or any such powers.
General management In the hands of Chairman-cum-Managing Director	(4) The Chairman-cum-Managing Director, subject to the provisions of the Act, these Articles, all other applicable enactments/Acts, and guidelines issued by the Bureau of Public Enterprises from time to

time shall be entitled to the Management of the whole of the affairs of the Company and he shall exercise his powers as such subject to the superintendence, control and direction of the Board of Directors of the Company.

Sub-Delegation of Powers

(5) The Chairman-cum-Managing Director may be authorized by the Board to sub-delegate such of his powers as he may think fit to other officers of the company subordinate to him from time to time.

Specific powers Subject to Governor's Approval

42. (1) The Chairman-cum-Managing Director shall reserve for decision of the Governor any proposals or decisions of the Board of Directors or any matter brought before the Board which raises, in the opinion of the CMD any important issue and which is on that account fit to be reserved for the decision of the Governor and no decision on such an important issue shall be taken in the absence of the CMD appointed by the Governor.

(2) The Board will not incur any liability (by borrowings, creation of posts, recruitment of staff etc. without the prior approval of the State Govt. unless the Corporation is able to meet the liabilities from its own profits.

(3) Without prejudice to the generality of the above provision, the Board shall reserve for the decision of the Governor. Any matter relating to:

(i) Any programme of capital expenditure for an amount which exceeds Rs. 10 crore in cases which do not form part of sanctioned estimates, provided that, within any financial year the funds required will be found, within the budget allocation for the Projects and provided also that the expenditure on such Project in subsequent years would be the first call on the respective budget allocation provided further that in cases where the detailed Project Reports have been prepared with estimates of various component parts of the Projects and where such reports have been approved by the Governor, it shall not be necessary for the Board to obtain the Governor's sanction to the incurrence of capital expenditure and the board of Directors shall have the power to sanction the same, subject to the provision in the sanctioned estimates for each component part. Provided further that in cases of variations in approved estimates which are not more than 10% for any particular part, the limit of Rs. 10 crore shall not apply and the board of Directors shall be competent to proceed with the work without further reference to the Governor provided there is no substantial variation in the scope of the Project. The powers of the Board to approve incurrence of capital expenditure not exceeding Rs. 10 crores shall be further subject to the condition that the scheme stands included in the approved capital budget of the Company. -

(ii) Agreement involving foreign collaboration proposed to be entered into by the Company,

(iii) The Company's revenue budget in case there is an element of deficit which is proposed to be met by obtaining funds from the Government.

(iv) The Annual and five year annual plans for development of the Company's capital budget.

(v) Winding up of the Company.

(vi) Sale, lease, disposal or otherwise of the whole or substantially the whole of the undertaking of the Company,

(vii) Appointment of any person who has attained the age of 58 years (other than foreign technical personnel) on a pay of Rs. 18400-22400 and above including pension and / or pension equivalent to retirement benefit.

Powers of Governor to issue directives

43, Notwithstanding anything contained in all these Articles any directive of the Governor will be gazetted with regard to conduct of business and affairs of the Company and in like manner the Governor may vary and annual any such directive or instruction. The Directors shall give immediate effect to the directives or instructions so issued. In particular, the Governor will have the powers:

- (i) To give directives to the Company as to the exercise and performance of its functions in matters involving national security or substantial public interest.
- (ii) To call for such returns, account and other information with respect to the property and activities of the Company as may be required from time to time.
- (iii) To provide wholly or partly owned Company (ies) or subsidiary (ies) including participation in their share capital irrespective of the sources from which the operations of such companies are to be financed.
- (iv) To determine in consultation with the Board annual, short and long term financial and economic objectives of the Company.

Provided that all directives issued by the Governor shall be in writing addressed to the Chairman-cum-Managing Director. The Board shall, except where the Governor considers that the interest of national security requires otherwise, incorporate the contents of directives issued by the Governor in the annual report of the Company and also indicate its impact on the financial position of the Company.

(v) To take decisions regarding entering into partnership and/or regarding arrangement for sharing profits.

44. No action shall be taken by the Company in respect of any proposal or decision of the Directors reserved for the approval of the Governor until his approval to the same has been obtained. The Governor shall have the power to modify such proposal or decision of the Directors.

Directors may be Directors of Companies Promoted by the Company

45. Any Director of this Company, including the Chairman-cum-Managing Director may be or become a Director of any Company promoted by this Company or in which it may be interested as to vendor, member or otherwise and no such director shall be accountable for any benefits received as Director or Member of such Company.

Omission to give notice

46. The accidental omission to give notice of any meeting of the Directors to a Director shall not invalidate any resolution passed at any meeting.

Question at Board meeting how decided

47. A Director may at any time convene a meeting of Directors. Questions arising at any meeting shall be decided by a majority of votes and in case of an equality of votes, the Chairman shall have a second or casting vote.

Who is to preside at meeting of the Board

48. All meetings of the Directors shall be presided over by the Chairman-cum-Managing Director if present or in his absence by the Executive Director if present. If at any meeting both the Chairman-cum-Managing Director or Executive Director are 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.

Board may set up Committees

49. The Board may, subject to the provisions of Section 292 of the Act, delegate any of their powers to Committees consisting of such member or members of their body as they think fit, and they may from time to time revoke such delegation. Any 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. The proceedings of such a Committee shall be placed before the Board of Directors at its next meeting.

Meeting of Committees how to be governed

50. The meeting and proceedings of any such committee consisting of two or more members shall be governed by the provisions of the Act 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.

Chairman of meeting of Committees

51. A Committee may elect a Chairman at its meetings, if no such Chairman is elected or if any meeting the Chairman is not present within 15 minutes after the time appointed for holding the same, the members present may choose one of their members to be Chairman of the meeting.

General powers given to Directors

52. The Board of Directors may pay all expenditure incurred in setting up and registering the Company.

Specific powers given to Directors

53. Subject to the provisions of the Act and without prejudice to the general powers conferred by these Articles, the Directors shall have the following powers, that is to say, powers:-

To make bye-laws

(1) To make, vary and repeal from time to time bye-laws for the regulation of the business of the Company, its officers and servants;

To pay and charge interest etc.

(2) To pay and charge to the capital account of the company interest lawfully payable thereat under the provisions of the Act.

To pay for property in debentures

(3) To purchase, take on lease or otherwise acquire for the company property, rights or privileges which the Company is authorised to acquire at such price and generally on such terms and conditions as they think fit;

To pay for property in debentures

(4) To pay for any property or rights acquired by or services rendered to the Company, either wholly etc. or partially in cash, or in shares, bonds, debentures, debenture stock or in shares that may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures, debenture stock or other securities may be either specifically charged upon all or

	any part of the property of the Company and its uncalcaled capaital or not so charged; .
To secure contracts by mortgage	(5) To secure the fulfillment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the pro petty of the Company or charge of all or any of the property of the Company and its unpaid capital for the time being or in such other manner as they think fit;
To refer to arbitration	(6) To refer any claim or demand by or against the Company to arbitration and observe and perform the awards;
To invest money	(7) To invest in the Reserve Bank of India or in such securities as may be approved by the Governor and deal with any of the moneys of the company upon such investment authorised by the Memorandum of Association of the Corporation (not being share in the Company) and in such manner as they think fit and from time to time, to vary and realise such investments;
To create posts	(8) To create such posts, other than those to which appointment is made by the Governor as he may consider necessary for the efficient conduct of the Company's affairs and to determine the scale of pay and other terms thereof.
To appoint officers	(9) Subject to Article 42 (vii), to appoint and at their discretion remove or suspend such Managers, Secretaries, Officers, Clerks, Agents and Servants from permanent, temporary or special services, as they may from time to time, think fit and to determine their powers and duties and fix their salaries or emoluments and require security in such instances and to such amounts as they may think fit and also without prejudice as aforesaid from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India in such manner as they think fit.
Taking Employees Welfare measures	(10) To provide for the welfare of employees or ex-employees of the Company or of its predecessors in business and the wives, widows and families or the dependents or connections of such employees or ex-employees by building or contributing to the building of houses, dwellings or chawls or by grants of money, allowances, bonuses, profit sharing bonuses or benefit of any other kind or by creating and from time to time subscribing or contributing to provident and other association, institution funds, profits sharing or other scheme or trusts or by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendances and any other form of assistance, welfare or relief as the Directors shall think fit;
To subscribe to other funds	(11) To subscribe or otherwise to assist or to guarantee money to scientific institutions or objects;
To create Depreciation and other Funds	(12) To set aside before recommending any dividend out of the profits of the company such sums as they may think proper for depreciation or to Depreciation Fund, Reserve or to reserve fund to meet contingencies or insurance fund or any special or other Fund to meet contingencies or to repay redeemable preference shares and for special dividends and for equalizing dividends and for repairing and

replacements, improving, extending and maintaining any part of the properties of the Company and for such other purposes as the Directors may, in their absolute discretion think conducive to the interest of the Company and to invest the several sums so set aside or so much thereof as required to be invested upon such investments (subject to the restriction imposed by the Act) as the Directors may think fit, and from time to time to deal with and 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 Directors (subjects to such restrictions as aforesaid) in their absolute discretion think conducive to the interest of the Company notwithstanding that the matters to which the Directors 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 Directors may think fit and to employ the assets constituting all or any of the above funds, including the Depreciation Funds, in the business of the Company or in the purchase or repayment of Redeemable Preference Shares and that without being bound to keep the same separate from the other assets and without being bound to pay or allow interest on the same with power, however, to the Directors at their discretion to pay or allow to credit such fund interest at such rate as the Directors may think proper;

Authority to sub-delegate powers

(13) Subject to Section 292 of the Act, to sub-delegate all or any of the powers, authorities and discretions for the time being vested in the Directors, subject however to the ultimate control and authorities being retained by them;

(14) Any such delegate or attorney as aforesaid may be authorised by the Directors to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them;

To lend money

(15) To lend moneys to subsidiaries and associated organisations, on such terms and conditions as they may consider desirable.

THE SEAL

The seal and its custody

54. (a) 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.

Issue of the seal

(b) The seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board or a Committee of the Board authorised by it in that behalf and except in the presence of at least two Directors and of the Secretary 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.

DIVISION OF PROFITS AND DIVIDEND

Division of profits

55. The profits of the Company available for payment as dividend, subject to any special rights relating thereto created or authorised to be created by these presents and subject to the provisions of those

presents as to the reserve fund shall, with the approval of the Governor be paid to the members.

The Company in General Meeting may declare a dividend

56. 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.

Interim Dividend

57. The Directors may from time to time pay to the members such interim dividends as in their judgement the position of the Company justifies.

ACCOUNTS

Inspection by members of accounts and books of the Company

58. 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 the 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 authorised by the Board or by the Company in General Meeting.

AUDIT

Accounts to be audied annually

59. Once at least in every financial year the account of the Company shall be examined and the correctness of the Profit and Loss Account and Balance Sheet ascertained by one or more auditors.

Appointment of Auditors

60. The auditor/auditors of the Company shall be appointed or re-appointed by the Comptroller & Auditor General of India in accordance with the provisions of Section 619 of the Act.

Powers of the Comptroller and Auditor General of India

61. The Comptroller and Auditor General of India shall have power:
- (i) To direct the manner in which the Company's account shall be audited by the Auditor/auditors appointed in pursuance of Article 60 hereof and to give such auditor/auditors instructions in regard to any matter relating to the performance of his/their functions as such; and
 - (ii) To conduct a supplementary or test audit of the company's accounts by such person or persons as he may deem fit on his behalf and for the purpose of such audit to require information or additional information to be furnished to any person or persons and in such form as the Comptroller and Auditor General may by general or special order, direct;
 - (iii) The auditor/auditors aforesaid shall submit a copy of his/their audit report to the Comptroller and Auditor General of India who shall have the right to comment upon or supplement the audit report in such manner as he may think fit;
 - (iv) Any such comment upon or supplement to the Audit Report shall be placed before the Annual General Meeting of the Company in the same manner as the Audit Report.

Auditors' right to attend meeting

62. The Auditors of the Company shall be entitled to receive notice of and to attend any General Meeting of the Company at which any accounts which have been examined or reported on by them are to be laid before the Company and may make any statement or explanation they desire with respect to the accounts.

When accounts to be deemed finally settled

63. Every account of the Company when audited and approved by a General Meeting shall be conclusive.

NOTICE

Notice on persons acquiring shares on death or insolvency of Members

64. 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 prepared letter addressed to them by name or by the title or representatives of the deceased or assignee of the insolvent or by any 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

Distribution of Assets

65. 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. And 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

Secrecy clause

66. No member shall be entitled to visit or inspect the Company's work without the permission of a Director 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

Directors' and other's right to indemnity

67. (1) Subject to the provisions of Section 201 (1) of the Companies 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 out of the funds of the Company to pay all costs, losses and expenses (including travelling expenses) which may 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 servant or


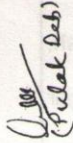
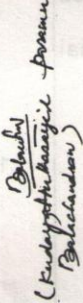
in any other way in the discharge of his duties and the amount for which such indemnity is provided, shall immediately attach as a lien on the property of the Company and have priority as between the Members over all other claims.

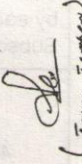
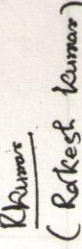


(2) Subject as aforesaid every Director, Manager or officer of the Company shall be indemnified against any liability incurred by him or them in defending any proceedings whether civil or criminal in which judgement is given in his or their favour or in which he is or they are acquitted or in connection with any application under Section 633 of the Act in which relief is given to him or them by the Court.

Not responsible for acts of others

68. Subject to the provisions of Section 210 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 Director 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 to the bankruptcy, insolvency or tortious act of any person, company or corporation with whom any money, securities or effects shall be entrusted or deposited or for any loss occasioned by an error or judgement or oversight on his or their part or for any other loss or damage or misfortune whatsoever, 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.

We, the several persons, whose names and addresses are subscribed, are desirous of being formed into a Company in pursuance of this Article of Association and we respectively agree to take the number of equity shares in the capital of the Company set opposite our respective names.

Names, Address, Description and Occupation of the Subscriber	No. of Equity Shares taken by each Subscriber	Signature of the Subscriber	Signature, Name, addresses, occupation of witness
<p>1. Governor of Arunachal Pradesh Through Shri Tumke Bagra S/o. Hortum Bagra H. No. PHED T-V/ No-1 'C' Sector, Itanagar Dist. Papumpare - Arunachal Pradesh - 791111 Secretary (Power & NCER) Govt. of Arunachal Pradesh Itanagar. Occupation : Service</p>	<p>4994 (Four thousand nine hundred ninety four only)</p>	 <p>(Tumke Bagra)</p>	<p>I witnesses the Signatures of 3 (three) subscribers</p> <p>(Rajesh Kumar Jain) Chartered Accountants S/o. Sri Kapoor Chand Jain 2nd Floor, Sanmati Plaza, G.S. Road, Guwahati-781 005 Phone No. - 062445</p>
<p>2. Pulak Deb S/o. Late Paresh Chandra Deb Shiv Apartment, Lachit Nagar 7th Bye lane, Guwahati - 781007 Dist. Kamrup, Assam Advisor (Power) Dept. of Power, Govt. of Arunachal Pradesh, Itanagar Nominee of the Governor of Arunachal Pradesh Occupation : Service</p>	<p>1 (One)</p>	 <p>(Pulak Deb)</p>	
<p>3. Kudayattu Thasayil Paramu Balachandraw, S/o. Late Kudayattu Thasayil Paramu Under Secretary, A.P. Secretariat, Itanagar, Panchatheertha PO / PS - Elanthoor-689643 Dist. Pathanamphitta Kerala State Nominee of the Governor of Arunachal Pradesh Occupation : Service</p>	<p>1 (One)</p>	 <p>(Kudayattu Thasayil Paramu Balachandraw)</p>	

Names, Address, Description and Occupation of the Subscriber	No. of Equity Shares taken by each Subscriber	Signature of the Subscriber	Signature, Name, addresses, occupation. of witnesses
<p>4. Shri Tayor Jempen S/o. Late Talum Tempen Dy. Secretary (Power) Government of Arunachal Pradesh, Itanagar Vill / PO. / PS - Alorg</p>	<p>1 (One)</p>	 (Tayor Jempen)	
<p>5. Rakesh Kumar S/o. Sh. Surya Mal Sharma Vill & P.O. - Rohana Kalan Distt. - Muzaffarnagar Uttar Pradesh, Pin - 251202 Executive Engineer (E) Deptt. of Hydro Power Development, Govt. of Arunachal Pradesh, Itanagar Nominee of the Governor of Arunachal Pradesh Occupation : Service</p>	<p>1 (One)</p>	 (Rakesh Kumar)	
<p>6. Lipe Ete S/o. Marli Ete Chief Engineer, Govt. of Arunachal Pradesh, Itanagar 'C' Sector, Bank Tinali, Itanagar Distt. Papum Pare Arunachal Pradesh - 791111 Nominee of the Governor of Arunachal Pradesh Occupation : Service</p>	<p>1 (One)</p>	 (Lipe Ete)	
<p>7. Mrinal Bhattacharjee S/o. Sisir Ranjan Bhattacharjee EE (HQ) Deptt. of HPD Government of Arunachal Pradesh, Itanagar Vill.- Shiv Mandir, PO / PS - Siliguri, Dist.-Darjeeling State - West Bengal Pin - 734433 Nominee of the Governor of Arunachal Pradesh Occupation : Service</p>	<p>1 (One)</p>	 (Mrinal Bhattacharjee)	

