

MEMORANDUM OF ASSOCIATION
of
JAMMU AND KASHMIR
Tourism Development Corporation Limited

**Memorandum of Association of
Jammu and Kashmir
Tourism Development Corporation Limited**

- I. The name of the Company is the Jammu and Kashmir Tourism Development Corporation Limited.
- II. The Registered Office of the Company shall be situated in the state of Jammu and Kashmir in Srinagar.
- III. (a) The main objects for which the Company is established are as follows:
1. to run, manage and administer all Government Hotels and catering establishment as may be notified by the Government in a manner as would ensure their economic working:
 2. to carry on the business in the State of Jammu and Kashmir or in any part of India of hotel, restaurant, café, tavern, refreshment rooms, board and lodging houses;
 3. to establish, construct, lease out or acquire on its own hotels, cafes, clubs, restaurants tourist bungalows, guest houses, house boats, shikaras and

other places for the purpose of stay of tourists for boarding and lodging purposes;

4. to organise all in inclusive tours by road, rail, sea, air or otherwise and to enter into agreements connected with the organisation of such tours;

5. to provide entertainment by way of cultural shows, dances, concerts, cabaretes, ballets, film shows, sports and games, son-et-lumiere spectacles, and others:

6. to import, purchase, lease, sell and run or otherwise operate cars, cabs, buses, trucks, launches, ropeways, air-crafts, helicopter and other modes of transport;

III (b) The object incidental of ancillary to the attainment of the main objects for which the company is established are:

1. to act as caterers dealing. In catering goods, licensed victuallers, wine beer and spirit merchants bar keepers, importer of aerated mineral and artificial waters and other things;

(2) to deal In textile goods perfumery, silken and wollen garments, dealers In novelty, and other

handicrafts ;

(3) to deal in foreign goods of all Kinds connected with hotel line, hair dressers, perfumers, chemists baths, dressing rooms, laundries ;

(4) to act as general agents and as proprietors conducting safe deposit vaults and to carry on business of running boats, yachts, night clubs, swimming pools, bakeries and confectioneries and doing of all such other things as are incidental or conducive to the attainment of the main objects;

(5) to help and assist financially or otherwise entrepreneurs in house-boat, transport, tour and travel industry;

(6) to promote and operate schemes for development of tourist traffic in Jammu & Kashmir and for that purpose to operate and get prepared reports; blue prints, statistics and other information ;

(7) to employ and pay Indian and foreign consultants In connection with any business connected with operations of the Company;

(8) to train skilled workers and technicians at the

cost of the Company within or outside the state in any manner considered advantageous to an establishment run and/or managed by the Company;

(9) to act as travel agents for air-lines, railways, shipping companies, road transportation and the like services;

(10) to provide lodging and boarding and other facilities to the public Including tourists wishing to hire or otherwise avail of facilities in the establishments controlled by the Company, In order to encourage tourist traffic to the State ;

(11) to carry on any other business which may be calculated directly or indirectly to enhance the value of or render profitable any of the Company's property or rights;

(12) to enter into negotiation, sign contracts, instruments, documents, bills for carrying on the business of Hotel Management and operation and other business of the Company

(13) to act as agents for Government or other authorities or any manufacturer, merchant, trader and to transact and carry on business connected with the

functions assigned to the Company;

(14) generally to purchase, take on lease or in exchange hire or otherwise acquire any movable and Immovable property, and any rights or privileges which the Company may think necessary or convenient for the purpose of business, and in particular any land, buildings, easements, machinery, plant and stock in trade ;

15. to receive grants, loans advances and other moneys on deposit or otherwise from the Central Government or State Government, Banks, Companies, Clubs, Associations, Commissions, Trusts Corporations etc., or individuals with or without allowance of interest thereon; and to lend money to such persons or companies and on such terms as may seem expedient, and in particular to customers and other having dealings with the Company and to guarantee the performance of contracts by any such persons or Companies, but shall not do the business of banking within the meaning of the Banking Companies Act. 1949 ;

(16) to borrow or raise or secure the payment of money in such manner as the Company shall think fit. and in particular by the issue of debentures or

debenture stock, perpetual or otherwise, charged upon all or any of the Company's properties and assets (both present and future including its uncalled capital and to purchase, redeem or pay off any such securities ;

17) to remunerate any person or Company for services rendered or to be rendered in placing or assisting to place or guaranteeing the placing of any of the share in the company's capital or any debentures debenture stock or other securities of the Company or in or about the formation or promotion of the Company or the conduct of its business ;

(18) to draw, make, accept, endorse, discount, execute, and issue promissory notes bills of exchange, bills of lading, warrants, debentures and other negotiable or transferable instruments ;

(19) to sell; improve, manage, develop, exchange, lease, mortgage dispose off, turn to account or to otherwise deal with all or any part of the property, assets and rights of the Company ;

(20) to do and to carry out all or any of the above objects and things in any parts of the world and either as principals, agents, contractors, trustees or

otherwise and by or through trustees, agents or otherwise and either alone or in connection with others;

(21) to enter into partnership or any arrangement for sharing profits, union of interests co-operation, Joint ventures, or otherwise with any person or persons or company carrying on or engaged in any business or transaction capable of being conducted so as to directly or indirectly benefit this Company;

(22) to acquire and undertake the whole or any part of the business property and liabilities of any person or persons or company, carrying on any business which the company is authorised to carry on :

(23) to act as agents and/or to enter into agreements with any Government, semi-Government quasi Government or public undertakings or Government owned Company or any authority, municipal or local or any manufacturer, merchant and other that may seem beneficial to the Company's objects and to obtain from such Government, authority or merchant rights, privileges and concession which the Company may think desirable and carry out exercise and

comply with any such arrangements, rights, privileges and concessions and to transact and carry on agency business of every type and of any description ;

(24) to establish agencies in India and elsewhere and to regulate their working.

III. (c) The other objects for which the Company is established are ;-

(1) to employ or pay the staff or to remunerate any person for service rendered in the conduct of the business of the Company ;

(2) to establish and support or aid in the establishment and support of Associations, institutions, funds, trusts and conveniences calculated to benefit employees or ex-employees of the Company, or their dependents to grant them pension and/or other allowances, as may be thought fit or expedient at the discretion of the Company, To make Provident Fund contributions for their benefit and to make payment towards insurance on their lives, and to subscribe or guarantee money towards places of instructions and recreation and hospitals, dispensaries, medical, and other assistance as

the Company shall think fit, and to subscribe and provide money for any exhibition, or for any public general or useful object, connected with the business of the Company.

(3) to invest and sell with the money of the Company not immediately acquired in such manner as may from time to time be determined.

(4) to create any depreciation fund, reserve fund, sinking fund, insurance fund and for any other special fund whether for depreciation or for repairing any of the property of the Company or for any other purpose conducive to the interests of the Company.

(5) to promote and establish such Associations Societies, Clubs and other suitable bodies as may be necessary in order to carry out the aforesaid objects effectively;

(6) to undertake and execute any trusts, the undertaking whereof may seem desirable either gratuitously or otherwise.

(7) to pay all the preliminary expense of any kind and incidental to the formation and incorporation of the Company out of the funds of the Company;

(8) to open an account or accounts with any bank or banks and to raw and endorse cheques and to withdraw money from such accounts:

(9) to sell the undertaking of the Company or any part thereof for such consideration as the Company may think fit and in particular for shares, debentures, debenture stock policies or securities of any other Company having objects altogether or in part similar to those of this Company and to promote any Company or companies for the purpose of acquiring the undertaking of this Company or any part thereof, or all or any of the property, rights and liabilities of this Company;

(10) to amalgamate with any other company having objects altogether or in part similar to those of this Company.

(11) to do all such other things as are identical or conducive to the attainment of the above objects; The objects set forth in any sub-clause of clause III above reference to or reference from the terms of any other sub-clause or by the name of the Company. None of such sub-clause or the objects therein specified or the powers thereby conferred shall have full powers to

exercise all or any of the powers conferred by any part of this clause in any part of the World and notwithstanding that the business undertaking, property or acts proposed to be transacted, acquired, dealt with or performed do not fall within the objects of the first sub-clause of this clause.

In the event of any ambiguity, this clause, and its sub-clauses shall be interpreted and construed in such way as to widen and not be restrict and powers of the Company.

- IV. The liability of the Members is limited
- V. The authorized capital of the Company is Rupees five crores divided into 50,000 ordinary shares of Rs. 1,000 each with the rights, privileges and conditions attaching thereto as may be provided by the Articles of Association of the Company for the time being with powers to increase and reduce the capital of the Company and to divide the ordinary shares in the capital for the time being into several classes and to attach thereto, respectively such preferential, deferred, guaranteed qualified or special rights, privileges and conditions as may be, determined by or in accordance with the articles of Association of

the Company and to vary, modify, amalgamate or abrogate any such rights, privileges or conditions in such manner as may for the time being be permitted by the Companies Act, 1956.

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

Name of the subscriber	Address description & occupation	Signature of subscriber	No. of share	Signature of witness with address description & occupation
1.	2.	3.	4.	5.
1. S. K. Raina	Secretary to Govt. Tourism & Labour Deptt. J&K Govt.	Sd/-	3 equity	Finance Secretary J&K Govt.
2. D. N. Kachru, IAS	M.D. JKTDC C/o Deptt. of Tourism	Sd/-	3 equity	-do-

Dated: 12th day of February, 1970

**Articles of Association
of the J&K Tourism Development
Corporation Limited**

INTERPRETATION

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

"The ACT" means the Companies Act, 1956 (1 of 1956)

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

"Bye-law" means the bye-laws which may be made by the Directors of the Company under these articles and which may be for the time being in force.

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

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

"The Company" means Jammu & Kashmir Tourism Development Corporation Limited.

"Directors" means the Directors for the time being of the Company

"Dividend" includes bonus.

"Month" means a calendar month (according to Georgian calendar)

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

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

"Governor" means the Governor of Jammu Kashmir State.

"Regulations" means regulations for the time being in force for the management of the Company.

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

"Committee" means a Committee of Directors constituted.

"Secretary" means the Secretary of the Company.

"In writing and written" include printing, lithography and other modes representing or reproducing words in a visible form.

Words importing the masculine gender also include feminine gender.

2. Table "A" not to apply: The regulations contained in table "A" in the first schedule to the Act shall not apply to the Company excepts so far as the same are repeated or contained in or expressly made applicable by these Articles or by the Act.
3. Company to be a Private Company: The Company is a Private Company and accordingly;
 - a) The right to transfer of share shall be restricted as hereinafter prescribed.
 - b) The number of members for the time being of the Company is not to exceed fifty excluding (i) persons who are for the time being in the employment of the Company, and (ii) persons who having been formerly in the employment of the Company were members of the Company while in that employment and have continued to be members after the

employment ceased (iii) where two persons hold one or more shares in the Company jointly, they shall, for the purposes of the Article, be treated a single member.

- c) Any invitation to the public to subscribe for any share or debentures or debenture stock of the Company is hereby prohibited.
4. Capital: The Capital of the Company is Rs. Five Crores divided in 50,000 Equity Shares of Rs.1,000/- each.
5. Power to increase Capital: Subject to the approval of the Government Directors may, with the sanction of the Company in general meeting, increase the Share Capital by such sum to be divided into shares of such amount, as the resolution, shall prescribe.
6. Issue of new Shares: The new shares shall be iss subject to terms and Conditions as the general meeting may resolve in this behalf and if no direction be given, as the Directors shall determine. Provided that the Company shall not issue any shares (not being preference shares) which carry voting right 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).

- a) 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.
- b) New shares shall be at the disposal of the Board of Directors and may be allotted by them in such a manner as may be thought fit.

7. Reduction of Capital etc. Subject to such directions as may be issued by the Government in this behalf and to the provisions of sections 100 to 104 of the Act, the Company may, from time to time, by special resolution reduce its capital in any way, and in particular and without prejudice to the generality of the foregoing power may:

- a) Extinguish or reduce the liability on any of its share capital not paid up.
- b) Either with or without extinguishing or

reducing liability on any of its shares, payoff any paid up share capital which is in excess of the wants of the Company. The Directors may subject to the provisions of the Act, accept surrender of shares.

- c) Either with or without extinguishing or reducing liability on any of its shares, payoff any paid up shares capital which is in excess of the wants of the provisions of the Act, accept surrender of shares.

8. Classification of Shares etc:

- a) Subject to the provisions, if any in that behalf of the memorandum of Association of the Company. Any share in the Company may be issued with such preferred, deferred or other special rights, or such restrictions, whether in regard to dividends, voting, return of share capital or otherwise as the Company may from time to time by special resolution determine and any preference share may with the sanction of a special resolution be issued on the terms that it is or at the option of the Company is liable to be redeemed.

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- b) If at any time 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, may subject to the provisions of the Act and whether or not the Company is wound up, be varied with the sanction of a resolution passed at a separate meeting of holders of those shares and supported by the votes of the holders, not being less than 3/4th of those shares.
9. Control and allotment of shares: Subject to the directions of the Government in that behalf and subject to the provisions hereinafter contained, the shares shall be under the control, of the Board, who may allot or otherwise dispose of the same to such persons as are approved by the Government on such terms and conditions and at such times as the Board think fit and with full power to give to any person the calls on any shares whether at par or at a premium or (subject to the provisions of the Act) at a discount and for such consideration as the Board think fit.
10. Share Certificate: Every person whose name is

entered as a member in the Register of members 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 provided that in respect of a share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all. A certificate for a share shall be signed by at least two Directors of Board and Company Secretary.

11. Issue of new share certificate in place of one lost, destroyed or defaced: If a Share certificate is defaced lost or destroyed it may be renewed on payment of such fee if any not exceeding Rs. 500/- and on such terms if any so as to evidence and indemnify payment or out of pocket expenses incurred by the Company in investigating evidence as the Board may think fit.
12. Funds of the Company not to be employed for purchase of its shares etc. Except to the extent allowed by the Act no part of the funds of the Company / shall be employed in the purchase of, or in loans upon the security of the Company's shares.

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13. Company's Lien on shares: The Company shall have a first and paramount Lien on every share (not being a fully paid share) for all moneys (whether presently payable, or not) called or payable at a fixed time in respect of that Share and the Company shall also have a lien on all shares (other than fully Paid shares) standing registered in the name of a single person, for all moneys presently payable by him or his estate to the Company, but the Board may at any time declare any share to be wholly or in part exempt from the provisions of this clause. The Company's lien, if any, on a share to all dividends payable thereon.
 14. Enforcement of lien by Sale: The Company may sell in such manners as the Board think fit, any shares on which the Company has a lien, but no sale shall be made unless a sum in respect of which the lien exists is presently payable, not until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable has been given to the registered holder for the time being of the share, or the person entitled by reasons of his death or insolvency to the share.

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15. Application of proceeds of sale: The proceeds of the sale shall be applied in payment of such part of the amount in respect of which the lien exists as is presently payable and the residue shall (subject to a like lien for sums not presently payable as existed upon the sharers at the date of the sale. The purchaser shall be registered as the holder of the shares, and he shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
16. Calls on Shares: The Board may from time to time make such calls as they think fit upon the members in respect of any moneys unpaid on the shares held by them respectively and not by the conditions of allotment thereof made payable at fixed times and each member shall pay by the amount of every call so made on him to the person and at the times and places appointed by the Board. A call may be made payable by installments.

Provided, however that the Board may from time to time at its discretion extend the time fixed for the payable of any call and may extend such time to

allow any of the members whom, the Board may deem entitled to such extension. But no member shall be entitled to such extension save as a matter of grace and favour.

17. Several and Joint Responsibility of Joint Shareholders: The Joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
18. When Interest on Call payable: (a) If a sum called in respect of a share is not paid before or on the day appointed thereof the person from whom the sum is due shall pay interest upon the same at the rate of five percent per annum or at such lower rate, if any as the Board may determine from the day appointed for the payment thereof to the time of actual payment, but the Board may be at liberty to waive payment of that interest wholly or in part.
 - b) The provision of these regulations as to payment of interest shall apply in the case of non-payment of any sum which by the terms of issue of a share becomes payable at a fixed time, whether on account of the amount of the share or by way of premium, as if the same

had become payable by virtue of a call duly made and notified.

19. Payment in Anticipation of calls may carry interest: The Board may, if they think fit, receive from any member willing to advance the same, all or any part of the money uncalled and unpaid upon any shares held by him and upon all or any of the money so advanced may (until the sum would but for such advance become presently payable) pay interest at such rate (not exceeding without the sanction of the Company in general meeting six percent per annum) as may be agreed upon between the member paying the sum in advance and Board.
20. Notice for payment of call or installment: If a member fails to pay any call or installment of a call on the day appointed for payment thereof the Board may at any time thereafter during such times as any part of such call or installment remains unpaid serve a notice on him requiring payment of so much of the call or installment as is unpaid together with any interest which may have accrued.
21. The notice shall name of further day (Not earlier than the expiration of fourteen days from the date of

service of the notice) on or before which the payment required by the notice is to be made and shall state that in the event of nonpayment at or before the time appointed the shares in respect of which the call was made will be liable to be forfeited.

22. Forfeiture of Share by Resolution after Notice: If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may at any time thereafter, before the payment required of by the notice has been forfeited by a resolution of the Board to that effect. The resolution of forfeiture duly entered in the minutes of the Board shall be conclusive evidence of such forfeiture and no objection as to the appointment of the Board or otherwise shall be entertained against the same.
23. Disposal of Forfeited share: A forfeited share may be sold or otherwise disposed off on such terms in such manner as the Board may think fit and at any time before a resale or disposition and the forfeiture may be cancelled on such terms as Board may think fit.
24. Declaration of Forfeiture: A duly verified declaration in writing that the declarant is a Director, the

Managing Director or the Secretary of the Company and that a share in the Company has been only forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against the persons claiming to be entitled to the share and that declaration and receipt of the Company for the consideration, if any given for the share on the sale or disposition thereof, shall constitute a good title to the share, and the person to whom the share is sold or disposed of shall be registered as the holder of the share and shall not be bound to see to the application of the purchase money (if any), nor shall his title to the share be affected by any irregularity or invalidity in the proceeding in reference to the forfeiture, sale or disposal of the share.

25. Holder of Forfeiture Share to cease to be a Member: A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares but shall, notwithstanding the forfeiture remain liable to pay to the company all money which at the date of forfeiture were presently payable by him to the Company in respect of the share, but his liability shall cease if and when the Company received payment in

full of the nominal amount of the shares, together with the interest thereon at the rate 6% per annum, and any other reasonable out of pocket expense incurred by the Company in respect of such forfeiture. The Board may enforce payment of such moneys or any part thereof, if they think fit, but shall not be under any obligation to do so.

26. The provisions of the Article regarding forfeiture: Shall apply in the case of non payment of any sum which by the terms issue of a share, became payable at a fixed time whether on account of the amount of the shares or by way of premium as if the same had been payable by virtue of a call duly made and notified.
27. Transfer and transmission of shares: The right of members to transfer their shares be restricted as follows:
- a) a share may be transferred by a member or other person entitled to transfer only to a person or persons approved by or on behalf of the Government and to no other persons.
 - b) Subject as aforesaid the Board may decline to register any proposed transfer of shares.

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28. Refusal to register transfer: If the Board refuse to register the transfer of any shares they shall, within two months from the date on which the instrument of transfer or the intimation of such transfer, as the case may be is delivered to the company, send to the transferee and the transferor notice of the refusal.

Save as herein otherwise provided, the Board 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 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 express or implied notice thereof.

29. Execution of transfer: The instrument of transfer in any share of the Company shall be executed both by the transferor and transferee, and the transferor shall be deemed, to remain holder of the share until the name of the transferee is entered in the register of members in respect thereof.
30. Form of transfer: The share transfer form shall be in

the form as prescribed in the Act or the rules made thereunder.

31. Suspension and recognition of transfer of shares: The Board may suspend the registration of transfers during the fourteen days immediately preceding the Annual General Meeting in each year.

The Board may decline to recognize any instrument of transfer unless:

- a) a fee not exceeding rupees two is paid to Company in respect thereof, and
- b) the instrument of transfer is accompanied by the certificate of the shares which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer.

32. Share held by Governor: If any shares held by any person as a nominee of the Governor on the Governor's requiring him to transfer any such share to the Governor or to any other person or persons nominated by the Governor, the following provisions shall take effect namely:

- i) The Governor may at any time serve the

Company with a requisition to enforce the transfer of any such share;

- ii) The Company shall thereupon forthwith give to the holder of such share, or where the holder has become of unsound mind to his committee or other guardian, where the holder has become or been adjudicated an insolvent, to the assignee of his estate and effect, or where the holder is dead, to his heirs or legal representatives, or where the holder being a Company has been wound up as aforesaid to its liquidator, notice in writing of the requisition unless within fourteen days afterwards, the holder or as the case may be, the committee or guardian or assignee or heirs or legal representatives of such holders, shall execute in favour of the Governor or of any person or persons nominated by the Governor proper transfer form in respect of such share and hand over the same alongwith the relative certificate in respect of such share to the Governor or any other person or persons nominated by him, the Governor or such other person as may be nominated by him in that

behalf may at any time thereafter execute a transfer in respect of such share for and on behalf of such holder or of his estate and the same shall be deemed to have been duly and properly executed for and on behalf of such holder or of his estate and the same shall be deemed to have been duly and properly executed for and on behalf of such holder or of his estate and thereupon the holder or insolvency.

iii) A person becoming entitled to share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he was the registered holder of the share, except that he shall not before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.

34. Closure of transfer books and register of member:
The register of members or the register of debenture holders may be closed for any time or times not

exceeding in aggregate 45 days in a year and 30 days at and one time by giving not less than seven days previous notice and in accordance with section 154 of the Act.

35. Division, Sub-Division and Consolidation of shares: The Company may by ordinary resolution from time to time sub-divide or consolidate all or any of its share capital and exercise any of the powers conferred by Section 94 of the Act.
36. Power to Borrow: The Board may from time to time, with the previous sanction of the Government, at their discretion, raise or borrow or secure the payment of any sum or sums of money for the purposes of the Company by means of resolution passed at a meeting of the Board.
37. Conditions on which money may be borrowed: The Board may subject to the approval of the Government raise or secure the payment or repayment of such sums in such manner and upon such terms and conditions in all respects as they think fit and in particular by the issue of Bonds perpetual or redeemable debentures, or debenture stock, or mortgage, charge or other security on the

undertaking of the whole or any other of the property of the Company (both present and future including its uncalled capital for the time being)

38. Securities may be assignable free from equities: The debentures, debenture stock and other securities may be made assignable free from any equities between the Company the persons to whom the same may be issued.

39. Issue of debenture etc: Subject to the approval of the Government any debentures, debenture stock, bonds or other securities may be issued at a discount, premium or otherwise and with any special privileges as to redemption, surrender, drawings appointment of Directors and otherwise

Provided that no debenture carrying voting rights any meeting of the Company, whether generally or in respect of particular classes of business shall be issued.

40. Holding of Annual General meeting: Except in case when for any special 'reason time for holding any annual general meeting (not being the first annual general meeting) is extended under section 166 of the Act no greater interval than 15 months shall be

allowed to elapse between the date of one annual general meeting and that of the next- All other meetings of the Company shall be called extraordinary general meetings.

41. When extraordinary meetings to be called: The Board, may whenever they think fit, and they shall on the requisition of the holders of not less than 1 - 10th of issued capital of the Company upon which all calls or other sums then due have been paid, forthwith proceed to convene an extraordinary general meeting of the Company and in the case of such requisition, the following provisions shall have effect:
- a) the requisition must state the objects of the meetings and must be signed by the requisitionists at the office and may consist of several documents in like form each signed by one or more requisitionists.
 - b) any meeting convened under this Article by the requisitionists shall be convened in the same manner as nearly as possible as that in which meetings have to be convened by the Board but shall be held at the office.
 - c) a requisition by joint holders of shares must

be signed by all such holders.

- d) If the Board does not within 21 days from the date of the deposit of a valid requisition proceed to call a meeting on a day later than 45 days from the date of deposit of the requisition the meeting may be called by the requisitionists themselves.

42. Notice of meeting: A general one meeting of the Company may be called by giving not less than twenty one days notice in writing specifying the place, day and hour of meeting. Such notice shall be served on every member in the manner hereinafter provided but with the consent in writing of all the members entitled to receive the notice of same any particular meeting may be convened by such shorter notice and in such manner as those members may think fit.

Provided, however, that where any resolution is intended to be passed as a special resolution at any general meeting as required by any provision of the Act, notice of such meetings specifying the intention of proposed resolution shall be served.

43. The accidental omission to give notice to or the non-

receipt of notice by any member or other person to whom it should be given shall not invalidate the proceedings at the meeting.

44. Business of Annual General Meetings: The Business of an Annual General Meeting shall be to receive and consider profit and loss account, the balance Sheet, and the report of the Directors and of the Auditors, to declare dividends and to transact any other business which under these Articles ought to be transacted at an Annual General Meeting. All other business transacted at an annual General Meeting and all business transacted at an extraordinary meeting shall be deemed special.
45. Quorum: Two members present in person shall be the quorum for a general meeting. If, however, a corporation is the member of the Company it shall be deemed to be personally present or represented through duly notified representative.
46. Chairman of General Meeting:
- A) The Chairman of the Board of Directors shall preside as Chairman at every general meeting of the Company.

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- B) If at any meeting the Chairman is not present within fifteen minutes after the appointed time for holding the meeting or is unwilling to act as Chairman, the Vice-Chairman shall preside at the meeting. If at any meeting the Vice-Chairman is not present within the time as aforesaid, or is unwilling to act as Chairman, then the members present shall choose some one of their members to be the Chairman of the Meeting.
47. Power to adjourn general meeting: The Chairman may, with the consent of any meeting at which a quorum is present and shall be directed by the meeting adjourn the meeting from time to time and from place to place but no business shall be transacted at any adjourned meeting other than the business unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for one month or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
48. Proof of passing of a resolution where poll not

demanded: At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless a poll is (before or on the declaration of the result of show of hands) demanded in accordance with the provisions of the Act,. And unless a poll is so demanded a declaration by the Chairman that resolution has, and a show of hands, been carried or carried unanimously, or by a particular majority is lost, and any entry to that effect in the books of the proceedings of the company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against that resolution.

49. Poll: If a poll is duly demanded, it shall be taken in such manner as the Chairman directs, and the result of the poll shall be deemed to be resolution of the meeting at which the poll was demanded.
50. Equality of Votes and Chairmans casting vote: In the case of an equality of votes, whether on a show of hands or on a poll the Chairman of the meetings at which the show of hands takes place or at which the poll is demanded, shall be entitled to a second or casting vote in addition to the vote or votes in which

he may be entitled as member.

51. When poll can be taken without adjournment: A poll demand on the election of a Chairman or on question of adjournment shall be taken forthwith without any adjournment. A poll demand on any other question shall be taken at such time as the Chairman of the meeting directs.

VOTE OF MEMBERS

52. Voting of members: Subject to any rights or restriction for the time being attached to any class or classes of shares, on a show of hands every member in person shall have one vote, and upon a poll every-member present in person or by proxy or by duly authorized representative shall have one vote in respect of shares held by him, provided, however, that so far as the Governor is concerned, a vote may be given on his behalf on a show of hands or on a poll by any person; whether a member or not, authorized by him to be present and vote at all or any of the meetings of the Company. The Governor may at any time revoke or cancel the authority of any person to vote on his behalf as aforesaid and make fresh authorization.

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53. Voting on behalf of Governor: Any person authorized by the Governor to vote on his behalf as aforesaid may if so authorized by any order of the Governor as aforesaid, appoint another person (whether a member or not) as a proxy of substituted authority whether special or general to vote on behalf of the Governor as aforesaid and such proxy or substituted authority shall be entitled also to vote on a show of hands or on a poll.
54. Joint Holder: Where there are joint registered holders of any share, any one of such persons may vote at any meeting, either personally or by proxy in respect of such share as if he were solely entitled thereto, and if more than one of such joint holders be present at any meeting personally or by proxy then one of the said persons present whose name stands first in the register in respect of such share shall alone be entitled to vote in respect thereof. Several executors or administrators of a deceased members in whose name any share stands for the purposes of this clause be deemed joint holders thereof.
55. Votes in respect of Shares of members of unsound mind. A member of unsound mind, or in respect of

whom an order has been made by any court having jurisdiction may vote, whether on a show of hands or on a poll through his Committee or other legal guardian, and any such Committee or guardian may on a poll vote by proxy.

6. No member entitled to vote etc. while call due to Company: No member shall be entitled to be present or to vote any question either personally or by proxy, or as proxy for another person, at any general meeting or upon a poll or be reckoned into quorum whilst any call or other sum shall be due and payable to the Company in respect of any of the Shares of such members.
57. Voting by proxy: On a poll votes may be given either personally or by proxy provided that no Company shall vote by proxy as long as a resolution of the Board authorizing any person to act as its representative at any meeting of the Company passed in accordance with the provisions of the Act in force.
58. Instrument appointing proxy to be in writing: Subject as aforesaid the instrument appointing a proxy shall be in writing under the hand of the appointer or of his

Attorney duly authorized in writing or, if the appointer is a Corporation either under the common seal or under the hand of officer or attorney, so authorized.

59. Instrument appointing Proxy to be deposited at Office. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of authority shall be deposited at the registered office of company not less than forty eight hours before the time for holding the meeting at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid.
60. From of proxy: An instrument appointing a proxy may be in the following form, or in any other form which the Board, shall approve and shall be attested by one witness.

THE & KASHMIR TOURIST DEVELOPMENT CORPORATION LIMITED

I.....
of.....
in the district of.....being

a member of the Jammu and Kashmir Tourism Development Corporation Limited and owner of theshares No,s..... dated..... hereby appoint..... of.....in the district ofor falling him..... of..... in the district ofas may be proxy to vote for me and on my behalf at the (Ordinary or extraordinary), as the case may be general meeting of the Company to be held on the..... day of and at any adjournment thereof:
Signed this day of witness
Signature

61. Directors: (1) Until otherwise determined by the Government the number of the Directors shall not be less than two and not more than twelve and one of them shall be appointed by the Government as the Chairman and another may be appointed as Vice-Chairman.
- 2) Directors shall unless otherwise determined by the Government, be appointed by the

Government.

- 3) The Government may constitute special Committees from amongst the Directors so appointed by it, to manage the affairs as Directors of different establishments of the Company and any such special Committee shall be subject to the superintendence and control of the Chairman and the powers of Directors so far as the affairs of the establishment are concerned.
- 4) At every Annual General Meeting of the Company all the Directors, except the Managing Director, Chairman and Vice - Chairman shall retire from office. The Managing Director shall on his ceasing to hold the office of the Managing Director, The Chairman and Vice-Chairman shall hold office will such time as the Government directs. A retiring Director shall be eligible for reappointment.
- 5) The Government shall have the powers to remove any Director including the Chairman and Vice-Chairman and the Managing

Director from office at any time in its absolute direction.

- 6) The Government shall have the right to fill any vacancy in the office of a Director caused by retirement, removal, registration, death or otherwise and shall also be competent to sanction their leave and determine their terms and conditions of appointment.
62. Remuneration of Directors: The remuneration or compensatory allowances of the Directors, Chairman, Vice-Chairman and Managing Director shall from time to time be determined by the Government. Such reasonable additional to exercise remuneration or compensatory allowance as may be fixed by the Government may be paid to anyone or more of the Directors for extra or special services rendered by him or them.
63. The Directors shall not be required to hold a qualification shares.
64. The first Directors of the Company will be the following
 - 1) Chief Secretary as Chairman of the Board

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- 2) Commissioner for planning and Secretary Planning Department.
 - 3) Secretary Works and Power Department.
 - 4) Finance Secretary
 - 5) Secretary Tourism and labour Department.
 - 6) Director Tourism
 - 7) Managing Director, J&K Tourism Development Corporation Limited

POWERS AND DUTIES OF THE BOARD

65. General Powers of the Company vested in Board
 - 1) Subject to the provisions of the Act, the Board of Directors of the Company shall be entitled to exercise all such powers and to do all such acts and things as the Company is authorized and do: provided that the Board shall not exercise any powers or do any act or thing which is directed or required, whether by the Act or any other Act or by the Memorandum or Articles of the company or otherwise to be exercised or done by the Company in General meeting. Provided further that in exercising any such power or doing any such act or thing,

the Board shall be subject to the provisions contained in that behalf in the Act or any other Act or in the Memorandum or Articles of the Company, or in any regulations not inconsistent herewith and duly made hereunder, including regulations made by the Company in general meeting.

- 2) No regulation made by the Company in general meeting shall invalidate any prior act of Board which would have been valid if that regulation had not been made.
66. Specific Powers to Board: Without prejudice to general powers conferred by the last preceding Articles and other powers conferred by these Articles the Board shall exercise the following powers:
1. To acquire property: To purchase, take on lease or otherwise acquire for the Company, rights or privileges which the Company is authorized to acquire at such price and generally on such terms and conditions as are approved by the Board of Directors.
 2. Works of Capital nature: To authorize the undertaking of works of capital nature up to

estimated project cost by debt to funds available with the corporations.

3. To Pay for property in debenture etc: To pay for any property, rights, or privileges acquired by or services rendered to the Company either wholly or partially in cash or in shares, bonds, debentures or other securities of the Company, and any such shares 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 bond, debentures or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.
4. To secure contracts by mortgage: Subject to provisions of the Act, to secure the fulfillment of any contracts or engagement entered into by the Company by mortgage or charges all or any of the property of the company and its uncalled capital for the time being or in such other manner as they may think fit.
5. To appoint officer etc: To appoint and promote

and at their discretion, remove, retire or suspend such managers, secretaries officers, clerks, agents and servants for permanent, temporary or special service as they may from time to time, think fit and to determine their powers and duties and for their salaries or emoluments and to require security in such instances and to such amount as they think fit provided that no appointment the maximum pay of which is Rs.15000/- more per men sum shall be made with the prior approval of the Government. Provided that until the Corporation make its own regulations, such appointment, retirements, removals and other terms and conditions including matters connected with the service shall be regulated in accordance with the provisions of J&K Civil Service Rules, J&K Civil Servants (classification, control and appeal) Rules, 1956, Govt. Servants Conduct Rules, Recruitment rules and other service rules and regulations in force in the State from time to time.

6. To appoint trustee: To appoint any person or

persons (whether incorporated or not) to accept and hold in trust for the Company and properly belonging to the Company or in which it is interested or for any other purposes, and to execute and do all such trustee or trustees.

7. To bring and defend action etc. To institute conduct, defend, compound or abandon any legal proceedings or by against the Company or its officers, or otherwise concerning the affairs of the Company and also to compound and allow time for payment or satisfaction of any claims or demands by or against the Company.
8. To refer to arbitration: To refer any claims or demands by or against the Company to arbitration.
9. To give receipt: To make and give receipts, release and other discharges for money payable to the Company and for the claims and demands of the company.
10. To authorize acceptance etc: To determine who shall be entitled to sign on the company's

behalf bills, notes, receipts, acceptance, endorsements, cheques, releases, contracts and other documents.

11. To appoint agents/attorneys: Subject to approval of Board of Directors the Company may appoint agents/attorneys for management of the affairs of the company in such manner they think fit with such powers (including power to sub delegate and upon such terms as may be thought fit.
12. To invest moneys: Subject to the provisions of the Act to invest in the Reserve Bank of India of J&K Bank Limited or any nationalized bank/post office etc., or in such securities as may be approved by the Government and deal with any of the moneys of the Company upon such investments authorized by the Memorandum of Association of the Company (not being shares in this company) and in such manner as they think fit, and from time to time vary or release such investments.
13. To give security by way of indemnity: To execute in the name and on behalf of the

Company in favour of any Director or other person who may incur or be about to incur any liability for the benefit of the Company such mortgage of the Companies properties (present and future) as they think fit and any such mortgage may contain power of sale and such other power, and provisions as shall be agreed on, subject to the provisions of the Companies, 1956.

14. To give commission etc. Subject to the provision of the Companies Act, 1956 the Company may give to any person employed by the Company. a Commission or the profits of any particular business transactions or a share in the general profit shall be treated as part of the working expenses of Company.
15. to make Bye-Laws: Subject to any directives and policy guidelines issued by the Govt. from time to time make, vary and repeal bye-laws for the regulations of the business of the Company, its officers and servants.
16. To give bonus: To give award or allow any bonus, pension, gratuity or compensation to

any employee of Company, or his widow, children or dependants that may appeal to the board just or proper, whether such employee his widow, children or dependants have or have not a legal claim upon the company.

17. To create provident fund: Before declaring any dividend and subject to the approval of Govt, to set aside such portion of the profits of the Company as they may think fit, to form a fund to provide for such pensions gratuities or compensations or to create any provident or benefit fund in manner as the board may deem fit This shall however be subject to provisions of provident fund Act, Gratuity Act and workman compensation Act.
18. To make contracts etc: To enter into all such negotiations and contracts, and execute and do all such acts deeds and things in the name and on behalf of the Company as they may consider expedient for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company(Subject to the provisions of the act).

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19. To delegate powers by general or special order in writing to the Managing Director or to any other member of the Board of Directors or to any officer of the Company subject to such conditions and limitations as may be specified in the order such of the powers and functions as may be considered necessary.
 20. To borrow money: Subject to the approval of the Govt. and specific provisions of Companies Act, 1956 to borrow moneys on behalf of the Company.
 21. To execute mortgage: Subject to specific provisions of Companies Act, 1956 the Company may execute mortgage and charges on properties.
 22. Subject to the overall control and policies of the Government and in conformity with the overall plan programme of the State to plan develop frame specific policies, lay down and enforce time action schedule programme and methods for the implementation of the policies and to direct their administration and speedy execution in the most economic way.

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23. To ensure that the Managing Director and the subordinates are delegated adequate authority to carry out their responsibilities for the fulfillment of the objectives as set out above with such appropriate limitations to their authority as may be defined in writing and clearly understood with respect to management administration and operation of the Company.
 24. To engage in short and long term planning and to develop facilities for basic and applied research and to see that full advantage is taken of long term potentialities of the business with which the Company is engaged. This is subject to the objects contained in the memorandum of association of company.
 25. To provide and arrange for training for a categories of personnel.
 26. To secure that consultancy services and other suitable technical experience whatever and whenever needed.
 27. To ensure all agreements, contracts, or other commitments entered into are in accordance

with the laws for the time being in force in the State.

28. To prescribe policy and lay down procedure guidelines for the operation of the company which should be in consonance with the provisions of the Companies Act, 1956.
29. To ensure the due observance of codes of discipline at all levels of all employment under the Company.
30. To grant benefits, concessions and other facilities admissible under statutes and rules governing service in the State.
31. To establish a sound accounting, costing and a financial administration in keeping with the general directives of the Government and any other directive that may be issued from time to time and to review and to supervise annual and quarterly budget, balance sheets etc. This is however subject to specific provisions of the Companies Act 1956 and the schedules contained therein.
32. To prescribe a procedure for inspection and

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- verification of stocks, stores and inventories.
33. To construct, purchase, lease or sell its property so as to ensure the profitability of operations.
34. To obtain, evaluate information on general and specific business conditions and guide the operations in the Company in a manner most suited to the objectives of the company.
67. Appointment! of Managing Director and other officers.-The Government may from time to time appoint one or more the Directors to the office of Managing Director or Managing Directors, Deputy Managing Director, Assistant Managing Director or Manager or Managers or other officers of Company for such term and at such remuneration whether by way of salary or commission or participation in profits on otherwise on partly in one way and partly in other as it 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. Any such Director appointed to any such office shall if he ceases to hold the office of Director for any cause ipsofacto and immediately cease to be a

Managing Director or Manager from any other office as the case may be.

68. Power of Managing Directors and other Officers: Subject to the provisions of the Act: The Government may from time to time entrust to and confer upon the Managing Director or other officer of the Company for the time being such of the powers exercisable under these Articles by the Board as it may think fit and confer such powers for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions as it may think expedient, and it may confer such powers either collaterally with or to the exclusion of land in substitution for all or any of the power of the Director in that behalf, and may from time to time revoke, withdraw alter or vary all or any of such powers.
69. Responsibilities of Directors: The Directors shall duly comply with the provisions of the Act or any statutory modification thereof for the time being in force and in particular with the provisions in regard to the registration of the particulars of mortgages and charges created by it affecting the property of the Company, and to keep all registers and returns due to

be filed in his office under the provisions of the Act.

70. The Directors to cause recording of minutes of proceedings: The Directors shall cause minutes of proceedings to be recorded in books provided for the purpose:
- a) of all appointments of officers made at the meeting showing also the remuneration paid respectively to them;
 - b) all the names of Directors present at each meeting or the Directors and of any Committee of the Directors;
 - c) of all resolutions and proceedings or all meetings of the Company and of the Directors and of Committees of Directors and every Director present at any meeting of Directors of Committee of Directors shall sign his name in a book to be kept for that purpose;
 - d) in the case of each resolution passed at the meeting the name of the Directors/ if any, dissenting from or not concurring in the resolution;
 - e) a copy of the minutes recorded shall be

submitted to the Government. Similarly a copy of the Agenda to be considered at any particular meeting shall be submitted to the Government at least one week in advance of the date of the meeting.

him or them from office and appoint another or others in his or their place or places. Any such Director appointed to any such office shall if he ceases to hold the office of Director for any cause ipso facto and immediately cease to be a Managing Director or Manager from any other office as the case may be.

71. The seal: The Board shall have power to provide a common seal for the purpose of the Company. The seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board of Directors and in the presence of at least one Director or of such other person as the Board may appoint for the purpose; and any such Director or other authorized person as aforesaid shall sign every instrument to which the seal of Company is so affixed in his presence.
72. Disqualification of Directors:

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- a) The office of the Director shall be vacated on the happening of any of the event or events enumerated in section 283 (I) of the Act.
 - b) This is, however, without prejudice to the absolute right of the Governor to remove any Director without assigning any reason whatsoever,;

Provided, however, subject to the provisions of the act regarding disclosure of interest no Director shall vacate his office by reason of his being a member of any Company, which has entered into contract with or done any work for the Company of which he is a Director, but the Director shall not vote in respect of any such contract or work and if he does so his vote shall not be counted.

73. Proceedings : The Board may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit provided that the Directors shall hold a meeting at least once in every three calendar months. Questions arising at any meeting shall be decided by a majority of votes. In case of an equality of votes, the Chairman or in his

absence the Vice Chairman may at his discretion or on the request of a Director summon or cause to be summoned a meeting of the Directors. Provided that if the Managing director is satisfied any matter before the Company required as immediate consideration of the Directors and due to any cause whatsoever it is not possible or convenient to convene a meeting at a short notice he may obtain the opinion of the Board by circulation of the matter among the Directors.

74. Chairman of meeting of Committees: A Committee may elect a Chairman for their or if at any meeting the Chairman is not present within 10 minutes after the time appointed for holding the same, the members present may choose one of their member to be Chairman of the meetings
75. Delegation of Powers to Committee subject to the provisions of the Act: The Board of Directors subject to the provisions of the Act may by a resolution delegate any of their powers to Committees consisting of such member or members of their body as they think fit and 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 Board.

76. The quorum necessary for the transaction of the business of the Board or the special Committee of the Board or the special Committees of the Directors shall be 1/3rd of its total strength, or two Directors whichever is higher.
77. The continuing Directors may act notwithstanding any vacancy in their body, if and so long as their number is reduced below the number fixed by or pursuant to these Articles as the necessary quorum of Directors, the continuing Directors may act for the purpose of summoning a general meeting of the Company, but not for other purpose.
78. A Special Committee may elect a Chairman of its meetings: If no such Chairman is elected or if at any meeting the Chairman is not present within ten minute after the time appointed for holding the same the members present may choose one of the members to be Chairman of the meeting.
79. A Committee may meet and adjourn as it may think proper question arising at any meeting shall be determined by a majority of votes of the members

present and in case of an equality of votes, the Chairman should have second casting vote.

80. All acts done by any meeting of the Board of a Committee of Directors, or by any person acting as a Director, shall not with standing that it may be afterwards discovered that there was some defect in the appointment of any such director or persons acting as aforesaid, or that they or any of them were disqualified, be valid as if such Director or such person had been duly appointed and was qualified to be a Director

Provided always that the said acts were performed in good faith and in the interest of and for the benefit of the Company and the absence of any knowledge of such a fact at that time.

81. The Chairman shall reserve for the approval of the Govt, any proposals or decisions of the Directors in respect of any of the following matters, namely
- a) Increasing or reducing the issued capital of the company.
 - b) Granting by the Company of a loan or the giving of a guarantee or any other financial

assistance to anyone particular concern an amount exceeding rupee five (5 lacs)

- c) Winding up of the Company
- d) Any other matter which in the opinion of the Chairman be of such importance as to be reserved far the approval of the Govt., No action shall be taken by the Company in respect of any proposal or decision of the Board reserved for the approval of the Government aforesaid until its approval to the same has been obtained.

82. Notwithstanding anything contained in any of these articles the Government may from time to time issue such directives or instructions as it may think fit in regard to the finances and the conduct of the business and affairs of the Company, and the Board shall duly comply with and give effect to such directives or instructions.

83. Divider and reserve: The Company in general meeting may declare dividends to the paid to the members according to their rights and interest the capital, and may fix time for payment but no dividends shall exceed the amount recommended by

the Board.

84. The Board may from time to time pay to the members such of interim dividends as appear to it to be justified by the profits of the Company.
85. No dividends shall be paid otherwise than out of profits of the year or any other undistributed profits.
86. Subject to, the rights of persons if any entitled to shares with special rights as to dividends: All dividends shall be declared and paid according to the amounts paid or credited as paid on the shares but if so long as nothing is paid upon any of the shares in the Company dividends may be declared and paid according to the amounts of the shares. No amount paid or credited as paid on a share in advance shall, while carrying interest, be treated for the purposes of this Article as paid on the share.
87. Subject to such directions as may from time to time to be issued by the Government: The Board may before recommending any dividends set aside out of the profits of the Company such sums as they think proper as reserve or reserves which shall, at the discretion of the Board be applicable for meeting contingencies, or for equalising dividends, or for any

other purposes to which the profits of the Company may be properly applied, and pending such application, at the like discretion either be employed in the business of the Company or be invested in such investments (other than shares of Company) as the Board may from time to time think fit.

88. Capitalisation of Profits: The Company in general meeting may upon the recommendation of the Board resolve:
- a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserves accounts (or) to be credit of the profit and loss account or otherwise available for distribution; and
 - b) that such sum be accordingly set free for distribution in the manner specified in clauses
 - c) among the members who would have been entitled thereto, if distributed by way of dividends and in the same proportions.
1. The sum aforesaid shall not be paid in cash but shall be applied subject to the provision contained in clause (3) either in or towards:

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- a) paying up any amounts for the time being unpaid on any shares held by such members respectively.
 - b) paying up in full unissued shares or debentures of the Company to be allotted and distributed, credited as fully paid up to and amongst such members in the proportions aforesaid; or
 - c) partly in the way specified in sub-clause.
 - d) and partly in that specified in sub-clause (b).
2. A share premium account and a capital redemption reserve fund may, for the purpose of this regulations, only be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonds shares.
3. The Board shall give effect to the resolution passed by the Company in pursuance of the regulation.
- 4) Whenever such a resolution as aforesaid shall have been passed the Board shall.
- a) make all appropriations and applications of

the undivided profits resolved to be capitalised thereby, and all allotments and issues or fully paid up shares or debentures, if any;

b) generally do an acts and things required to give effect thereto.

5. The Board shall have full power to make such provision by the issue of fractional certificate or by payment in cash or otherwise as it thinks fit, in the case of shares or debentures becoming distributable in fractions.

89. Receipt of dividends in the case of Joint Share Holders: If several persons are registered as joint holders of any share, anyone of them may give effectual receipt for any dividends payable on the share.

90. Notice of Declaration of Dividend: Notice of any dividend that may have been declared shall be given to the persons entitled to share therein.

91. Dividends not to bear interest: No dividend shall bear interest against the Company.

92. Books of account to be maintained: The Board shall

cause to be kept proper books of account in accordance with the provision section 209 of the Act with respect to:

- a) all sums of money received and expenditure by the Company and the matters in respect of which the receipt and expenditure takes place.
- b) and sales and purchase of goods by the Company.
- c) the assets and liabilities of the Company.

93. Books of account to be kept open for inspection: The Books of account shall be kept at the registered office of the Company or at such other place in the State as the Board shall think fit and shall be open to inspection by the Directors during business hours.

94. Board to determine place, time and conditions for inspection of books of accounts: The Board shall from time to time determine whether and to what extent and at what time and place and under what conditions or regulations the accounts and books of the Company or any of them shall be open to the inspection of members not being Directors, and no member (not being a Director) shall have any right of

inspecting any account or books or document of the Company except as conferred by law or authorized by the Board or by the Company in general meeting.

BALANCE SHEET AND ACCOUNTS

95. Board to cause profit and loss, income and expenditure account prepared. The Board shall as required by the Act cause to be prepared and to be laid before the Company in general meeting such profit and loss accounts, income and expenditure accounts, balance sheets, and reports as are referred to in the Act.
96. Profit and loss account to show gross income and expenditure etc: The Profit and loss account shall in addition to the matters conferred to in Act, show arranged under the most convenient heads, the amount of gross income distinguishing the several sources from which it has been derived and the amount of gross expenditure distinguishing the expenses of the establishment, salaries and other like matters. Every item of expenditure fairly chargeable against the year's income shall be brought into accounts so that a just balance of profit and loss may be laid before the meeting, and in cases where any item of expenditure which may in fairness be

distributed over several years has been incurred in anyone year the whole amount of such item, shall be stated with the addition of the reasons why only a portion of such expenditure is charged against the income of the year.

97. Balance sheet and report of the Directors: A balance sheet shall be made out in every year and laid before the Company in general meeting. The balance sheet shall be accompanied by a report of Directors as to state the Company's affairs, and the amount which they recommend to be paid by way of dividend and the amount, if any, which propose to carry a reserve fund.
98. Audit: Auditors shall be appointed and their duties regulated in accordance with the provisions of the Act, or, any statutory modifications thereof for the time being in force.
99. Notice: A notice may be given by the Company to any member either personally or through post him at his registered address, or if he has no registered address, or the has no registered address in the State to the address, if any within India supplied by him to the Company for the giving of notice to him.

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100. Service of Notice: Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing prepaying and posting a letter containing the notice and, unless the contrary is proved, to have been effected at the time at which the letter would be delivered in the ordinary course of post.
 101. If a member has no registered address in India and has not supplied to the Company an address in India for giving of notice to him, a notice addressed to him and advertised in a newspaper circulating in the neighborhood of the registered office of the Company shall be deemed to be duly given to him on the day on which the advertisement appears.
 102. Notice to the first named joint holder to be deemed as notice to all joint holders: A notice may be given by the Company to the joint Holders of a share by giving the notice to the joint Holder named first in the register in respect of the share.
 103. Notice to the legal representatives of a deceased or insolvent share holder. A notice may be given by the Company to the persons entitled to share in consequence of the death or insolvency of a member

by sending it through the post in a prepaid letter addressed to them by name or by the title or to the representative 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.

104. Notice of general meeting: Notice of every general meeting shall be given in the same manner as herein before authorised to.
- a) every member of the Company (including bearer of share warrants) except the members who having no registered address within the country have not supplied to the Company an address within the country for giving of notice to them and also to
 - b) every person entitled to a share in consequence of the death of insolvency of a member, but for his death or insolvency would be entitled to receive, notice of the meeting.
105. Indemnification of Directors, Managers and other

officers of the Company: Subject to the provisions of the Act, every Director, Manager and other officer or servant of the Company shall be indemnified by the Company against all liabilities incurred by him as such Director, Manager or other officer or servant in defending any proceeding whether civil or criminal in which judgement is given in his favour in which he is acquitted or in connection with any application under the Act in which relief is granted by the Court and it shall be the duty of the Board out of the accounts of the Company to pay all costs, losses damage and expenses which any such officer or servant may incur or become liable by reason of any contracts entered into or act or thing done by him as such Director, or other officers or servant or in any way in the discharge of his duties including traveling expenses, and in particular and so as not to limit the generality of the foregoing provisions.

106. Notwithstanding anything contained in these Articles: All sub-missions and reference to be made to the Government under any of these Articles shall be made through the Administrative Department.
107. Protection of Directors, Managers and Officers of the

Company: Subject to the provisions of the Act no Director, or other Officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director Officer of the Company or for joining in any receipt or other Act for conformity or for any loss or expenses happening to the Company through the insufficiency or deficiency of title to any security or property in or upon which any of the moneys of the Company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortuous act oi person with whom ,my moneys securities or effect shall be deposited or for any other loss, damage or misfortune whatever, which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through duties of his office or in relation thereto, unless the same happens through his own negligence, default, misfeasance, breach of duty or breach of trust.

We, the several persons, whose names, addresses, descriptions and occupations are subscribed, are desirous of being formed into a Company in pursuance of these Articles of Association; and we respectfully agree to take the number of shares the

capital of the Company set opposite our respective names:

	Name, Address and Descriptions of subscribers	No. of shares witness taken by each subscriber
1.	Governor (Chief Secretary for and on behalf of Governor)	3/x Secretary to Govt. Finance Department
2.	Managing Director	3/x -do-
3.	Secretary of Govt. Tourism Department	3/x - do-

Dated this day of 19.....