

HIMACHAL PRADESH AGRO INDUSTRIES CORPORATION LIMITED
(A Government of H.P. Undertaking)
NIGAM VIHAR, SHIMLA-171002

I. ORGANIZATION, FUNCTIONS AND DUTIES.

A) Organization

The Himachal Pradesh Agro Industries Corporation Limited (HPAIC) was incorporated on September 24, 1970.

The paid up share capital as on 31-03-2006 was Rs. 1180.08 lac as against authorized capital of Rs. 1500.00 lac, out of which a sum of Rs. 607.00 lac is invested in equity of H.P.M.C., a sum of Rs. 97.00 lac in Agro Packaging India Limited, a sum of Rs. 0.37 lac in Himcon and a sum of Rs. 2.00 lac in Aromatrix Flora Limited. During the year 1974, a Subsidiary company of the Corporation, H.P.M.C was formed to undertake activities relating to horticulture produce marketing and processing. The Agro-Industries Corporation has invested a sum of Rs. 6.07 crore as Share Capital in H.P.M.C., besides transferring assets including Cold Storages, shops and other infrastructures at Parwanoo, Delhi, Madras and Calcutta.

Apart from the Head Office of the Corporation, it has set up its 5 Production Units for quality production of Cattle & Poultry Feed, Agricultural/Horticultural/Forest Implements & Tools, Honey and Pesticides/Insecticides etc., namely, Cattle & Poultry Feed Plant, Parwanoo, Cattle & Poultry Feed Plant, Jachh, Himagrigo Implements & Tools Factory, Jachh, Honey Processing Plant, Kandrori and Pesticides Formulation Plant at Parwanoo. Apart from these production units, the Corporation is providing services to the customers through its Retail Outlet (Petrol Pump) at Maranda (Palampur) and 21 other trading branches/ Sale Centres in the State as per details given below:

1. B.O. Chamba
2. B.O. Jachh (Jassore)
3. B.O. Dharamsala
4. B.O. Palampur
5. B.O. Jwalamukhi
6. B.O. Hamirpur
7. Sale Centre Bhoranj
8. B.O. Una
9. B.O. Amb
- 10.

B.O. Bilaspur 11. B.O. Mandi 12. B.O. Kullu 13. B.O.Solan 14. B.O. Parwanoo 15. B.O. Nalagarh 16. B.O. Paonta Sahib 17. B.O. Shimla 18. B.O. Rampur, 19. B.O. Rohru.

B) Function/Duties and Objectives of the Corporation:

The main objects of the Corporation are, to establish, develop, execute, operate and otherwise carry on projects, schemes, industries, business and activities which in the opinion of the Corporation are likely to:

- (i) Accelerate and increase agricultural production.
- (ii) Contribute to the production of subsidiary and supplementary foods.
- (iii) Increase the availability of supplies of food whether principal, ancillary, and supplementary or substitute in particular in Himachal Pradesh.
- (iv) Contribute to the development of agro industries in Himachal Pradesh.

B-I) Objects incidental or ancillary to the attainment of the main objects :

1. To aid, assist, promote or establish or execute agro-development projects or enterprises or programmes of manufacture or production of plant machinery, implements, accessories, tools, materials, substances, goods or things of any description which in the opinion of the Company is likely to promote or advance the development of agro industries in Himachal Pradesh.
2. To aid, counsel, assist or finance or promote the interest of agro industries and connected development activities in Himachal Pradesh whether owned or run by Government, statutory body, co-operative institution, company, firm or individual and to provide them with capital, credit, means, resources and technical managerial assistance for the prosecution of their work and business, to enable them to develop and improve their methods of manufacture, management and marketing and their techniques of production and to acquire and

dispose of shares and interests in such companies or associations or in the undertakings thereof.

3. To undertake, assist, aid, finance and promote the development and manufacture of agricultural machinery, implements, accessories, tools, wire and wire products and other materials and other equipment required for agriculture, horticulture, poultry, piggery, sheep farming, dairying, pisciculture, irrigation, soil conservation and farmers and other agriculture based industry in Himachal Pradesh and other States of India.
4. To acquire, purchase, import, give, sell, hire and generally deal either on cash, deferred payment, installments, on hire purchase basis, in all plant and machinery, implements, accessories, tools, materials or things of any description, including tractors, power tillers, pumping sets, drilling equipments, all type of agricultural implements, plant protection equipments such as sprayers, dusters, fertilizers and all types of plant protection chemicals and all types of equipment required for dairy farming, poultry farming, pisciculture and such other articles allied to the above.
5. To construct, build, equip, maintain and manage in Himachal Pradesh and elsewhere, cold storage chambers, room coolers, refrigerators, refrigerated vans, freezing houses, warehouses for storing and preserving fruits, fruit products, vegetables, vegetable products, flowers and other perishable agricultural and allied commodities including those of animal origin.
6. To organize, conduct or manage engineering or repair shop or workshops of all description for the repair of agricultural machinery, implements, machine tools and accessories.
7. To set up, build, equip and establish plants for the formulation and manufacture of pesticides and plant protection chemicals, fertilizers, poultry and cattle feed and other agricultural/horticultural inputs.

8. To carry on the business of sole or general agents or general representatives and sole or general stockists or distributors of seeds, manures, fertilizers, drills, pumps, drilling equipments, casting tubes, pesticides, plant protection equipments, cold storage and refrigeration equipment or agricultural implements, machine tools fuel or oil, lubricants, cement and cement products, oil engines, electrical motors and other accessories etc.
9. To promote or conduct any agricultural, commercial or industrial enterprise, establishment, company or concern.
10. To set up, acquire, establish and manage large scale commercial orchards and fruit plant nurseries on model lines for demonstration and for feeding the canning and preservation units and for other such purposes.
11. To manufacture either itself or through private or co-operative sectors materials, equipment and machinery necessary for modernizing and intensification of agriculture. To multiply, raise, procure and arrange supplies of seeds, plants seedlings, food grains etc. besides arranging for storage, godowning, warehousing, grading, packing, supplies, transport, disposals financing, market intelligence marketing amenities etc. of all agricultural, horticultural, animal husbandry, dairy, fisheries produce and other such inputs.
12. To set up, organize and manage service centres for undertaking improved agricultural practices such as spraying, dusting, pruning, trimming, grading, packing etc. in the field of farming.
13. To enter into partnership or any arrangements for joint working, for sharing profits, union of interest, co-operation, joint venture, reciprocal concession or otherwise, with any person, company, association or firm having objects similar to those of the company and calculated to benefit the company and to carry or conduct and liquidate or wind up any such partnership or arrangement purchased, or otherwise acquired.

14. To manufacture, buy, sell, exchange, install, work, alter, improve, manufacture, prepare for market, import or export and otherwise deal in all kinds of plant and machinery, apparatus, tools, utensils, substances, materials and things, necessary or convenient for carrying out any of the business the company is authorized to carry on or which is usually dealt in by persons engaged in such business.
15. To assess demand for materials, equipment and supplies like pesticides, fertilizers, agricultural implements, machines, power tillers, pipes, fruit processing equipment, cold storage plants, fisheries equipment, dairy appliances, poultry appliances etc., help in procuring supplies including those implements, fertilizers and arrange to sell them either directly or through any private, co-operative or public sector agencies.
16. To apply or tender for purchase or otherwise acquire any contract, concessions for or in relation to the construction, execution, carrying out, equipment, improvement, management, administration or control of works, conveniences and to undertake, execute, carry out, dispose of or otherwise turn to account the same.
17. To acquire any shares, stocks debentures, debenture stock, bonds, obligations for securities by original subscriptions, participation in syndicates, tender, purchase exchange or otherwise and to subscribe for the same, either conditionally or otherwise and to guarantee the subscription thereof and to exercise and enforce all rights and powers conferred by or incidental to the ownership thereof.
18. To undertake systematic study of supply and production trends in the activities of interest to the company.
19. To adopt such means of making known the uses, manufacture, repairs of agricultural tools, implements, machinery, fertilizers, manures, insecticides, pesticides, fruit and vegetable processing units, dairy and poultry equipment as may seem expedient and in particular by advertising in the press, by publication of books, magazines or

periodicals and by exhibiting on walls, posters or in any other manner and to encourage, promote or organize exhibitions, competitions, dramatic shows likely to promote the interest of the company.

20. To carry out a district-wise area or block to block survey for raw materials available for starting agro industries and then taking steps to utilize and process them through co-operatives, private or public sectors.
21. To pay for any properties, rights of privileges, acquired by the company, either in shares of the company or partly in shares and partly in cash, or otherwise.
22. To seek through Government of India the required foreign collaboration, if any, needed to start new agro-industries.
23. To acquire by concessions, grant, purchase, barter, licence, lease or otherwise, either absolutely, conditionally, solely or jointly with others any tract or tracts of country, lands, estates, houses, hereditaments and any machinery, plant, utensils, trade marks or other movable or immovable property of any description whatsoever at any place in India or outside and to explore, survey, cultivate, develop or exploit the same.
24. To sell or dispose or transfer the business of the company or any part thereof for such considerations as the company may deem proper and in particular for shares, debentures, or securities of any other company having objectives altogether or in part similar to those of the company.
25. To promote any company or companies for the purpose of acquiring all or any of the purposes, rights and liabilities of the company or for any other purpose calculated to benefit the company, directly or indirectly and to distribute as may be resolved, amongst the members of the company, the assets possessed or received by the company, provided that this does not amount to reduction of share capital of the company except in accordance with the provision of the Act.

26. To purchase, take on lease or otherwise acquire for the purpose of the company any estates, lands, roads railway or railway sidings, or other interests in immovable property, and to mortgage, sell let on lease, convey, assign or exchange and to manage in any other way the immovable property of the company or any rights therein.
27. To apply for, acquire and hold any charters, privileges, licences, monopolies, concessions, patents or other rights or powers, from the Indian Government or any other Government or State or any local or other authority in India or elsewhere or from any commercial or other companies, individuals or institutions and to exercise any power, rights, privileges etc. so obtained.
28. To purchase or otherwise acquire, erect, maintain, construct, repair and alter any building, sheds offices, plants, machinery, drain roads, bridges, culverts, railways and railway sidings, stalls godowns, fences and boundaries and all other structures found necessary or convenient for the purpose of the company.
29. To raise, borrow or secure moneys in such manner and on such terms as may seem expedient and in particular by way of loans, advances, deposits and issue of bonds, debentures or mortgages whether perpetual or otherwise and charged or not charged on the whole or any part of the rights or properties of the company including the uncalled capital and redeem, purchase or pay off any such securities.
30. To establish, promote, subsidize, assist any company or companies, syndicate or other concern for the purpose of setting up any agro-industries or running any agro industrial undertaking, acquiring any property for furthering any of the objects of the company.
31. To sell, dispose of, let on lease, or on hire or transfer the business, property, projects, factories or industrial or other undertakings of the company or any part thereof to any other company, association or concern for cash, stock or shares or for any other consideration which

the company may see fit to accept on such terms and conditions as may be determined by the company.

32. To take, or otherwise acquire and hold shares of any other company or companies having objects altogether or in part similar to those of this company, or carrying on any business capable of being conducted so as to directly or indirectly benefit this company subject to the provisions of section 49 and 372 of the companies Act, 1956.
33. To issue itself, or guarantee the issue of, or the payment of dividend or interest on the shares, debentures, debenture stock or other securities or obligations of any company or association engaged in agro-industrial activities and to pay or provide for brokerage, and under-writing in respect of any such issue, subject to the provision of sub-section (4A) of section 76 of the Act.
34. To draw, accept, make, endorse, discount and negotiate bills of exchange, hundies, promissory notes and other negotiable instruments for/or in the prosecution of the business of the company.
35. To pay all costs, charges, and expenses of and incidental to the promotion, formation, registration and establishment to the company or its branches and the issues of its capital, brokers fees, lawyers charges and remunerate in cash or in any other manner, any person or persons for services rendered or to be rendered in introducing any business to the company or for any other reason which the company may think proper.
36. (a) To arrange demonstrations and training in the use of materials, implements or equipment in furtherance of the objects of the company.
(b) To train or to pay for training in India or abroad of any member of the staff of the company or any other employee of the company either in the present or likely to be in the employment of the company in future, which training in the opinion of the company is likely to benefit the company in its day to day working, knowledge, management,

administration including research either in the field or in the laboratories.

37. To establish centres of celebrations, fairs, market places or other activities of general interest.
38. To construct, purchase, take on lease, hire, occupy or otherwise acquire any buildings, gardens, walls, water works, or similar other constructions for residential or other purposes for the benefit of the company's activities.
39. To constitute any reserve fund, depreciation fund, sinking or other fund for any special or general purpose.
40. To undertake and transact all kinds of agency or representation business which may be carried on along with any of the above businesses.
41. To establish, maintain, subsidize or become member of training institutes, research laboratories, research institutions and experimental workshops for scientific and technical research and experiments, and to encourage, promote and award scholarships, grants to students or rewards for studies or researches, investigations, experiments, tests and intentions of any kind that may be considered likely to assist any business which the company is authorized to carry on.
42. To prepare or to get prepared reports, blue prints, statistics and other informations regarding schemes for the development of agro industries and to install and work pilot prototype or semi scale units or full commercial plants to develop a particular invention or inventions and ensure production from such invention or inventions, to sell or otherwise dispose of the products of such inventions on payment on such terms and conditions as may be deemed fit.
43. To provide for the welfare of persons in the employment of the company, and the wives, widows, and families of such persons, by establishing provident or other funds, by grants of money, pensions or other payment, and by providing or subscribing towards places of

instruction, recreation and hospitals, dispensaries, medical and other attendance and other assistance, as the company shall think fit.

44. To expend money in experimenting, on testing and improving or seeking to improve any patents, rights, inventions discoveries, process or information in processing of or which the company may acquire or propose to acquire and generally to carry out research in agricultural practice.
45. To establish agencies in Himachal Pradesh and elsewhere and to regulate or discontinue the same.
46. To pay for any properties, rights or privileges, acquired by the company, either in shares of the company or partly in shares and partly in cash or otherwise.
47. To place in reserve, or to distribute as dividend or bonus among the members or otherwise apply as the company may from time to time think fit, any moneys received by way of premium on shares or debentures issued at a premium by the company and any moneys received in respect of dividends accrued on forfeited shares and moneys arising from the sale by the company of forfeited shares or from unclaimed dividends.
48. To employ distributors and commissions agents under-writers and to provide for the remuneration of such persons for their services by payment in cash or by the issue of shares, debentures or other securities of the company.
49. To direct the ,management, control and supervision of any company, association or concern by nominating directors, controllers, supervisors or otherwise, or to collaborate with any company or association or concern formed for carrying on or engaging in any manufacture or business within the objects of the company or similar thereto.
50. To effect any modification of the company's articles of association or change its objects in the manner prescribed by the companies Act., 1956 and with the approval of the State Government and to oppose

any proceedings and application which may seem calculated directly or indirectly to prejudice the interest of the company.

51. To invest and deal with moneys of the company not immediately required, in such manner, as may from time to time be determined such investment in shares shall be subject to restrictions laid down in section 49 and 372 of the Companies Act., 1956.
52. To do all or any of the matters hereby authorized either alone, or in conjunction with any person, association or person of body corporate.
53. To promote subsidiary companies for the purpose of implementing any of the objects of the company here-in-before mentioned. Holdings in such subsidiaries shall be restricted by section 372 of the Companies Act, 1956.
54. To generally do all such other acts or things as may appear to be incidental or conducive to the attainment of the above objects or any of them.