English/Nepali Translation

Dispatch No...12861/17

Registered under the Companies Act, 2063 BS (2006AD)

MEMORANDUM OF ASSOCIATION OF PHUTUNG RESEARCH INSTITUTE

(A non-profit Company)

1. Name of the Company:

This Company shall be referred to as फटुङ्ग रिसर्च इन्स्टिच्यूट and, in English, it shall be called **Phutung Research Institute.**

2. Address of Registered Office of Company:

Registered office of the Company shall be situated at Kathmandu District, Kathmandu Metropolitan City Ward No 16.

3. Business of the Company or Nature of Transaction:

The Company business shall be services related.

4. Objectives of the Company:

(1) The objectives of the Company shall be as follows:

(A) To conduct research and analysis on the subjects related to science, research and development of novel technologies, and matters related to the socio-economic development, and to assist promoting, protecting and using the findings of those research.

(B) To collect the information material related to the research and analysis conducted by the Company, and to disseminate the information to, or to acquire such information from, the persons or institutions conducting similar undertakings.

(C) To operate, implement or assist special projects for the purpose of demonstrating, educating, implementing and supporting the activities related to research and analysis conducted by the Company, and findings thereof.

(D) To organize and conduct, or to assist others organize or conduct, conferences and seminars for the purpose of exchanging knowledge and experience, and promoting skills and competencies of the workforce in relation to the science, and technology.

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(E) To publish the results and reports about the outcomes of the research and studies conducted by the Company; to publish the writing in relation to the diverse aspects of research and development in books, and journals.

(F) To utilize the surplus amount saved from the transactions of the Company, grants or donations received by the Company through any source, for the expansion of the working area, and for the enhancement of Company's competencies.

(G) To collaborate, coordinate and cooperate with the governmental, non-governmental, national and international institutions and organizations, regulatory bodies, professional institutions for the fulfillment of the objective of the Company.

(H) To conduct activities related to the objectives above.

(2) The Company shall obtain permit or license from concerned authority to fulfill objectives pursuant to Sub-section (1) according to prevailing law in force.

(3) The Company shall submit the copy of license or permit to the Office within 15 days from the date of obtaining license from concerned authority regarding the objectives pursuant to Sub-section (1).

5. **<u>Activities to Achieve Objectives of the Company</u>**:

The Company shall perform the following activities in order to achieve its objectives mentioned in Section 4.

(a) To buy or to take on lease, land, building, instruments and vehicles as per necessity of the Company.

(b) To appoint and to determine terms of service of the employees as per necessity of the Company.

(c) To open and to operate bank account in the name of the Company in a bank or a financial institution.

(d) To acquire loan from a bank or a financial institution by pledging or not pledging collateral as per necessity of the Company.

(e) To participate, by obtaining legal services if necessary, in legal proceedings to defend itself against a lawsuit or to secure its rights, concessions, interests and objectives.

(f) Other essential points:

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(1) Buying or leasing required building, office space and laboratory, office's house, land, garden, furniture, as well as buying, leasing or possessing other movable and immovable property etc. or acquiring by any other means; or building, decorating, processing, modernizing, repairing, controlling or operating them, as well as managing the same and buying and selling, movable or immovable property as per need.

(2) To purchase insurance policies to protect the properties of the Company including machinery, building and all other assets.

(3) To provide technical skills or knowledge required for the operation of the Company, and subject to the provisions of the existing laws, to enter into technical assistance agreement with persons, or organizations.

(4) To hire any trainers, legal professionals, supervisors, engineers, experts, workers, and allocating their salary and terms of service, and making bylaws for managing the same, as required.

(5) To issue, endorse, pay, accept bills of exchange, promissory notes, check, etc. and open letter of credit in the name of the Company.

(6) To register and use patent, design, trademark or any other intellectual property in the name of the Company.

(7) To file a lawsuit against any person or entity to protect the interest of the Company, and to defend the lawsuit filed against the Company.

(8) To publish and advertise about the Company's objectives and programs through different communication media including newspapers in order to inform the general public.

(9) To sell any movable or immovable property, land which are not required for the Company.

(10) To import, or buy or take in lease machineries, plants, equipment and furnishing, finishing, decorative goods required for the business of the Company to fulfill its objectives.

(11) To establish, operate and manage other companies, organizations, entities or businesses, by becoming a promoter or owning the same.

(12) To receive, apply to receive any advantages and tax concessions as per law provided by Government of Nepal and utilize them.

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(13) To carry out any other functions deemed necessary for the operation of the business of the Company.

6. Initial Capital of the Company:

The initial capital of this Company shall be NRs. 25,000.00 (in words, Twenty Five Thousand rupees). The amount shall be obtained from founder members either as a membership fee or as voluntary donation.

7. Share Capital of the Company:

(1) No share capital is needed to incorporate this Company. However, the Company may obtain membership fee from its members and may receive any donations or grants from anybody to achieve its objective according to law.

(2) The members of the Company shall pay the membership as provided for in Section 9(4).

(3) Money levied from members, or the donations shall be collected in a separate fund and that shall be the capital of the Company. Such money can be spent in connection to regular business, or to achieve the objectives of the Company.

(4) The Board of Directors, after making required decision, can establish and operate savings funds for achieving the specific objectives.

8. Restriction on Profit Distribution:

(1) Profit, bonus or any other money earned by the profit of the Company shall not be distributed to its members or employees.

(2) The profit earned by the Company shall be spent only to increase Company's capital or to achieve its objectives.

9. Obtain of Membership of the Company and Renewal:

(1) Following four types of membership of this Company has been categorized:

(a) General Member: Any Nepalese citizen who is qualified as per Section 9(2) who gets the Company's membership after

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completing the required processes is a general member of the Company.

(b) Founder member: The persons who have signed in the Memorandum of Association and Article of Association of the Company during its formation are the Company's Founder members. The founder members have to pay the prescribed fees by taking general or institutional membership.

(c) Life-time Member: Any person who provides special contribution for achieving the Company's objectives, development and growth shall be given a life-time membership as per the requirements.

(d) Honorary Member: Any notable social-worker, eminent scientist and technologist, educator, renowned person or any persons deemed fit by the Board of Directors can be given the honorary membership by the Company. However, an honorary member shall not have the voting right.

(2) In order to become a member of the organization one shall have to possess the following qualification:

(a) Having a Nepalese citizenship. However, the honorary member is not mandatory to have Nepalese Citizenship.

(b) Having attained the age of 16 years.

(c) Should not be mentally unstable.

(d) Should not have been convicted of having embezzled public property.

(e) Should not have been convicted of any crime that causes moral turpitude or crimes of corruption.

(f) Should not have been convicted of embezzling amount of any Company or institution.

(3) The general members of this company shall have to renew the membership as per the following:

(a) By paying annual membership fees within 3 months after completion of the financial year. However, the lifetime members do not need to renew membership fees.

(b) General members who have not renewed the membership within the period as prescribed in (a) above, may renew the membership within 3 months after such time limitation, then

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the Board of directors shall renew the membership by taking a fine equivalent to the membership fee.

(c) The membership shall *ipso facto* be cancelled if the membership has not been renewed within the period prescribed for in (b) above.

(4) The membership fee of the Company shall be as follows:

(a) Any person who is desirous of obtaining a general membership shall pay NRs. 100 for application and NRs.5,000 as membership fee. Such general member has to pay NPR. 1,000 per year as renewal fee.

(b) Every Founder member of the Company shall be lifetime members of the Company.

(c) The members of the Company can pay a total amount of NPR. 50,000, to be a lifetime member of the Company. The lifetime member shall not have to pay any renewal fees.

(5) The Board of Directors shall be the sole authority to decide the allowance of membership to any person or institution. Only after the decision of the Board of Directors shall any person gain a membership of the Company.

(6) The Board of Directors can make rules relating to the required qualifications, and standards of the membership and other membership related subjects.

10. Restriction on Transfer of Membership:

The membership of this Company may not be transferred by any means.

11. Conditions of Termination of Membership:

The membership of a member of this Company shall be terminated on the following conditions;

(a) In case of non-qualification, as per Section 9(2).

(b) In case the member acts against the objectives of the Company or negatively affects the Company's reputation.

(c) In case if the general meeting passes the proposal of such termination.

(d) In case of resignation from the membership of the Company is passed by the Board of Directors.

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(e) In case the court holds that the member has acted dishonestly or with ill intentions with regards to the Company's activities.
(f) If in case the membership is not renewed as per Section 9(3).
(g) In case of death of the member.
(h) If the member becomes insolvent.
(i) In case the member is disqualified according to the law in force.

(2) Before deciding any person to be unfit for being a member of the Company, he/she/it has/is to be sent a notice of the same and he/she/it is to be given an opportunity for a fair hearing.

12. Liability Will be Limited:

No member shall be responsible for the debt or liability of this Company, except in case the member has provided a written acceptance.

13. Other Essential Points:

(1) The cost incurred in establishment of the Company shall be borne by Company itself.

(2) The Company has not received any money or properties from anybody at the time of incorporation.

14. Any Additional provision as per the Company requirement:

No

15. Condition to Enforcement of Amendment of Memorandum of Association:

If there is any need to amend this Memorandum of Association, any such amendment is enforced only if the amendment has been passed by the special resolution by the general meeting, and has been registered in the Office.

16. Ineffectiveness of Memorandum of Association:

If any Section of this Memorandum of Association are inconsistent with the Companies Act, 2063 BS (2006 AD), and other prevailing laws, such articles shall remain ineffective to the extent of inconsistency.

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17. **Detail of Promoters and Declaration:**

We, the founders of Phutung Research institute agree to operate this Company according to prevailing law incorporating this Company. Name, address, signature stated in this Articles of Association and matters relating to witnesses is true and real. If it is proved false by any causes we are ready to bear the may be created liability after incorporation of the Company. Matters written in this memorandum of association is true, if it is proved false, we are ready to bear and pay according to law. Saying this we put our signature and thumb impressions on it.

Name, Address and Signature of Promoter	Father's/ Husband's Name	Citizenship Certificate No. and obtained district, Passport No. if foreigner	Name, Surname, Address and Signature of Witness	Citizenship Certificate No. and Obtained District's name of the Witness
SD Name: Suman Basnet Address: Dolakha District, Bhimeshwor Municipality Ward no 9 Rt. Lft.	Narayan Basnet	29663	SD Name: Manish Raj Kharel Address: Kathmandu District, Kathmandu Municipality, Ward no 16 Rt. Lft.	271060/27827
SD Name: Chintan Manandhar Address: Kathmandu District, Kathmandu Municipality, Ward no 16 Rt. Lft.	Purna Man Manandhar	11182	SD Name: Atit Babu Rijal Address: Kathmandu District, Kathmandu Municipality, Ward no 35 Rt. Lft.	1060/90088

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SD Name: Ashim Dhakal Address: Kathmandu District, Phutung Village Development Committee, Ward no 2 Rt. Lft.	Damodar Dhakal	2149	SD 1. Name: Manjil Raj Kharel Address: Kathmandu District, Kathmandu Municipality, Ward no 16 Rt. Lft.	271060/40541
SD Name: Rajiv Dhakal Address: Kathmandu District, Phutung Village Development Committee, Ward no 2 Rt. Lft.	Ramhari Dhakal	18853	SD Name: Mohan Krishna Manandhar Address: Nuwakot District, Kakani Village Development Committee, Ward no 16 Rt. Lft.	75418
Sd. Name: Arjun Aryal Address: Kathmandu District, Goldhunga Village Development Committee, Ward no 3	Damodar Prasad Aryal	784	SD 1. Name: Sanjiv Dhakal Address: Kathmandu District, Phutung Village Development Committee, Ward no 2	271060/13072

Draftsperson of Memorandum of Association:

Name :Amrit Sapkota

License No. : 15252

Signature : SD

Date :November 22, 2016 Done on Tuesday

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English/Nepali Translation
Dispatch No. 1286/17

Amended Memorandum of Association
of
PHUTUNG RESEARCH INSTITUTE
Registration number: 159260/073/074
(2073)

Sub Section 1(I) of Section 4 of Memorandum of Association

This Company shall be nonprofit in nature and shall carry out services relating to public and social welfare.

Section 9(1)(e) of Memorandum of Association

Observer member: Any person residing outside the Nepal, as identified by the Board of Directors, can acquire the Observer membership. An Observer member shall have the same qualifications as of the Honorary Members.

Section 9(3)(a) of Memorandum of Association

Every person acquiring the General and Observer member should pay annual membership fees as prescribed by Board of Directors within 3 months after completion of financial year. However, the lifetime members shall not have to renew the membership.

Section 9(1) (e) of Memorandum of Association

Any person who wants to obtain an Observer membership shall pay NPR. 100 as application fee, and NPR. 15,000 (fifteen thousand) as membership fee. Such Observer member has to pay NPR. 7,000 (Seven Thousand) per year as renewal fee.

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ARTICLES OF ASSOCIATION OF PHUTUNG RESEARCH INSTITUTE

(A Non-profit Company)

CHAPTER-1
PRELIMINARY

1. Name of the Company:

This company shall be referred to as फुटुङ्ग रिसर्च इन्स्टिच्यूट and in English, it shall be called as " **Phutung Research Institute**".

2. Address of Registered Office of Company:

Registered office of the Company shall be situated at Kathmandu District, Kathmandu Metropolitan City Ward No 16.

3. Definitions:

Unless the subject of context otherwise requires, in this Articles of Association:

(a) "Act" means Companies Act, 2063 BS (2006 AD)

(b) "Office" means the office of Company Registrar established by Government for administration of the companies.

(c) "Company" means "Phutung Research Institute".

(d) "Official" means the director, chief executive, manager, Company secretary, liquidator, and also include any employee with the departmental responsibility of the Company.

(e) "Meeting" means the General Meeting of the Company.

(f) "Board of Director" means the Board of Directors of the Company.

(g) "Member" means any member who has received such membership as per Section 9 of the Memorandum of Association of this Company and has his/her/it's name registered as a member in the registry book of the Company.

(h) "Memorandum of Association" means memorandum of association of this Company.

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(i) "Articles of Association" means Articles of Association of this Company.

4. Objective of the Company:

The objective of the Company shall be as enumerated in Clause 4 of the Memorandum of Association.

CHAPTER-2
GENERAL MEETING

5. Provision Regarding to General Meeting of the Company:

(1) General meeting of this Company shall be are as follows:
   (a) Annual General Meeting, and
   (b) Extra Ordinary General Meeting.

(2) First Annual General Meeting of the Company shall be held within twelve(12) months of Company incorporation, and then after, subsequent Annual Meetings shall be held within six months of completion of every Financial Year.

(3) The notice shall be provided to all the members stating venue, date and agenda of discussions at least before twenty-one(21) days for annual general meeting and at least before fifteen(15) days for extra general meeting.

(4) The general meeting may be called by the Chairman of the Board of Directors or by the official as prescribed by the Board of Directors.

(5) If the official stated in sub-rule (4) does not call the general meeting or the meeting cannot be held by any causes, then at least fifty one percent of total number of Board of Directors can decide to call the meeting stating that cause. Notice shall be provided as of sub-rule (3), to all members calling general meeting in this way. The meeting of Board of Directors and the general meeting shall be chaired by the chairman, and in his absence, chaired by the Director selected from among the directors present in the meeting.

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(6) If the general meeting called according to sub-rule (3) or (5) could not be held due to lack of quorum as per rule 10, the general meeting could be called again, providing notice. Such notice shall be deemed valid if it is published at least fifteen days prior to the meeting day in any national daily newspaper.

6. **Procedure of General Meeting:**

(1) Chairperson of Board of Directors preside the General Meeting

(2) In the absence of Chairperson of the Board of Directors, a Director selected among the attending Board of Directors shall preside the General meeting. In case of absence of the chairperson and all directors, a member selected among the attending members shall preside the meeting.

(3) Before starting the proceedings of the meeting, the validity of the meeting shall be discussed, and the sufficiency of the quorum shall be confirmed, and if the quorum is found sufficient, then the meeting shall be conducted formally with the permission of the chairman.

(4) Every agendas of the meeting shall be presented in the form of resolution and each and every resolution shall be discussed. Except in case of the permission from the chairperson, any other resolutions cannot be discussed until prior resolutions have been decided.

(5) Decisions shall be taken on the basis of simple majority votes. However, for special resolutions, three-fourth majority is required.

(6) In case of tie, the chairman may cast the deciding vote.

(7) The agenda not explicitly stated in the Notice of the Meeting shall not be discussed or decided, except when permitted by the sixty seven percent of the members present in the meeting.

(8) The chairman prescribes the procedure of a voting, when and if necessary.

7. **Other Agendas to be submitted to General Meeting:**

Except for the agendas stipulated by the Act required for discussion and decision, granting of membership, setting and/or amending of

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membership criteria shall be introduced as special resolution. Board of Directors may decide to introduce agendas before the general meeting for discussion and decision from time to time.

8. Special Resolution:

This article requires no other special resolutions other than those stipulated by the Act. However, the Board of Directors can decide to propose special resolutions in the general meeting agendas as required.

9. Special General Meeting:

The special general meeting may be called pursuant to the Act.

10. Quorum:

There shall not be the functions and proceedings of the general meeting without the attendance of more than fifty percent of the total members. Provided that in the re-called general meeting as per sub-rule (6) of rule 5, if Twenty Five(25) percent members attend the general meeting, then there shall not be any hindrance to hold the meeting.

11. Voting:

Every member shall have voting right on the basis of one member one vote. However, honorary members shall have no voting rights.

12. Record of the Minute of the Decision of General Meeting:

(1) A separate record of minute of the functions, proceedings and decisions of the general meeting, recording the matters has to be maintained according to the Act. The chairperson of the meeting, and Company secretary, shall have to put their signatures on that minute. In case of absence or non-appointment of the Company secretary, the chairperson and a member appointed by the general meeting shall have to put their name and the signature on the minute.

(2) The minutes of the proceedings of the general meeting as referred to in Sub-rule (1) shall be maintained and made available at a registered office of the Company. If any member desires to inspect

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such minutes during the office hour, the secretary or other employee designated by the Company shall allow him for such inspection.

CHAPTER-3
BOARD OF DIRECTORS

13. Formation, Number and Tenure of Board of Directors:

(1) The appointment of directors shall be by the annual general meeting. Each member shall have the right to be a candidate for the post of director.

(2) There shall be five (5) members of Board of Directors in this Company.

(3) The tenure of the Board of Directors shall be of four(4) years.

(4) If the post of a Director is vacated before holding annual general meeting, it shall be filled for remaining tenure by the same procedure as of the vacating director. If the post of any Director is vacated without completing the tenure, the post shall be filled only for the remaining tenure of the preceding director.

However, if the post of the Director appointed by the general meeting is vacated, the Board of Directors shall appoint a Director until the period of the imminent annual general meeting.

(5) A body corporate may appoint its substitute when appointing a director.

(6) Until the first annual general meeting of this Company, the following shall be the members of the first Board of Directors:

(a) Ashim Dhakal

(b) Rajiv Dhakal

(c) Chintan Manandhar

(d) Suman Basnet

(e) Arjun Aryal

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14. Whether or not a Director canbe reappointed:

A Director may be reappointed as a Director for the subsequent terms.

15. Provisions relating to remuneration, allowance and facility of the director:

Remunerations, meeting allowances, and other facilities of the directors of the Company shall not be higher than as determined by the Office.

16. Qualification of Director:

Every person who is qualified to be a Director as per Section 89 of the Act are deemed to be a member of the Board of Directors of this Company.

17. Functions, Duties and Rights of the Board of Directors:

The Board of Directors shall collectively manage the business and activities of the Company, use their rights and oblige by their duties, as per the provisions of the Act, regulations and the decision of the General Meeting.

18. Provisions Relating to Delegation of Power:

(1) The Board of Directors may delegate its power as per the provisions of the Act.

(2) The Board of Directors may delegate its power to a sub-committee of the directors, an official or any person holding the Company's any departmental responsibility or any other person.

19. Provisions Relating to Managing Director:

(1) There shall be one Managing Director of the Company so as to to manage its daily activities, and other undertakings of the Company. The Board of Directors shall appoint the Managing Director.

(2) Rights, duties functions qualification and responsibilities of managing director shall be as follows:

- (a) To commit on any contract or agreements in favor of the Company remaining under the Act.
- (b) To sign on exchange authorization letters or checks in favor of the Company.

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(c) To attend trials of any cases filed against the Company in any court or other quasi-judicial bodies, defend the case, and to file written responses.

(d) To represent the Company in any governmental, semi-governmental, local body or any other bodies.

(e) To hire any trainers, legal professionals, supervisors, engineers, experts, workers, to allocate their salary and terms of service, and if required, making bylaws for managing the same.

(f) To do other works as prescribed by the Board of Directors.

(3) The terms and conditions of remuneration and of the services of managing Director shall be as prescribed by a contract.

20. Provision Relating to Chief Executive Officer

There are no provisions relating to Chief Executive Officer.

21. State that who will call the Meeting of the Board of Directors:

The chairperson or any other person appointed by the chairperson shall call the meeting of the Board of Directors.

22. Procedure Relating to Meeting of the Board of Directors:

(1) The official as stated in rule 21 shall call a meeting of the Board of Director as per necessity. If the meeting could not be called in that way, and if at least twenty five (25) percent of out of total director's number demand meeting, then that official shall have to call the meeting within fifteen (15)days. If the meeting could not be called by demand as per this provision, then the twenty five(25) percent of the directors stating that reason can call the meeting stating agenda, venue and time of the meeting of the Board of Directors. While calling the meeting in this way notice should be forwarded to other directors according to sub rule (2).

(2) The notice of the meeting of the Board of Directors should be given in the address as prescribed by Director in writing, fax or through electronic communication.

(3) The directors shall have to be physically present in the meeting of the Board of Directors. However, in case the Director has

appointed an alternative Director to represent him on his behalf, his/her alternative Director could attend the meeting.

(4) There shall be no meeting of the Board of Directors without at least presence of fifty one percent of total number of directors.

Provided that in case the meeting of the Board of Directors which could not be held due to lack of quorum, then the another meeting could be called giving at least Seven(7) days notice. In case if the quorum do not meet in such a recalled meeting the functions, proceedings and decision of the attendee's shall be deemed valid.

(5) The chairman of the Board of Director shall chair meetings of the Board of Directors. In his absence, a Directors elected out of the attending directors shall chair the meeting.

(6) In the meeting of the Board of Directors the simple majority is required for a decision. In case of a tie, the chairman may cast his deciding vote.

However, in a meeting of Board of Directors, no Director could participate in the discussion or vote in any agenda relating directly to his/her personal concern or interest.

(7) Any Director could put forward or write his dissenting opinion in any decision in the meeting of the Board of Directors.

(8) Whatever may be written in other provision of this Articles of Association, if all the members of the Board of Directors agree in written form about a matter of their jurisdiction, such decisions are considered valid without a formal meeting, provided that the written decision is attached on the Minute Book. Such consensus shall be regarded as the decision of the meeting of the Board of Directors.

23. <u>The Record of the Decision of the Board of Directors:</u>

(1) The agenda of discussion and minute of its decision shall be maintained in a separate record; and at least fifty one percent directors attending the meeting shall have to sign such record. However, the validity of a decision shall not be compromised even if any Director attending the meeting does not sign the minute of the decision.

(2) The record of the decisions can be kept in the computer or in an electronic means with a sufficient security arrangement to ensure the details of the decisions are not altered.

(3) Any member should be allowed to inspect the decisions of the Company within the office time. The Company decisions should be published online, except in case the Board of Director decides otherwise.

24. Codes of Conduct for Members and Directors:

The Code of conduct to be followed by the members, directors and officials shall be framed and implemented by the Company within one year from the date of it's operation.

CHAPTER-4
ACCOUNT-KEEPING, AND AUDITING

25. Provision Relating to Expenditure of the Company:

(1) Remuneration, meeting allowance and other facilities of full-time officer or members of the Company, and the expenditure during incorporation and operation of the Company shall be as fixed by the Office on the basis of profit and capital position of the Company.

(2) The Company shall submit its capital position, profit or probable profit, causes and basis of proposed remuneration, allowance facilities and source of payment of such remuneration, allowance and facility, to the Office for the purpose of fixing remuneration, meeting allowance and other facility of the Director or members according to sub-rule (1).

(3) Remuneration and facility of working employee or advisor of the Company shall be as fixed by the Board of Directors.

(4) Whatever may be written in sub-rule (2),a prior permission from the general meeting should be obtained before appointing close relatives of an official or a member of the Company as a paid employee or advisor, and its notice shall be given within thirty five

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days, to the office in a written form stating the remuneration and facility to be received by these office employees and advisors.

26. Account-keeping, and Auditing of the Company:

(1) The account-keeping and the audit of the accounts of the Company shall be prepared as per the standards determined by the authorized body according to prevailing laws.

(2) The daily accounts of the Company should be maintained up-to-date showing day-to-day transactions.

(3) The Company shall audit its accounts pursuant to the Act.

(4) The general meeting of the Company shall appoint auditor pursuant to the Act. Name of the Auditor shall be sent to the office within fifteen days from the date of appointment.
However, until the first general meeting, the auditor shall be appointed by the Board of Directors.

(5) The auditor who has been appointed according to sub-rule (4) shall certify the balance-sheet, profit and loss, account and cash flow of the Company and present his/her audit report to the Company and the Office, addressing the Officer who has appointed him/her. The Company shall have to send the copy of such report to every member, and the Office.

(6) Any member must be allowed to inspect the account of the Company as soon as possible, within the Office time, and unless otherwise stipulated by the Board of the Directors, the up-to-date account must be made available online in the internet

CHAPTER-5
MISCELLANEOUS

27. Notice to be Given to and Received by Member, Director and Official:

(1) The Company shall also send or receive any information or notice to the Company's member, Director or Official through electrical means.

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28. Company Secretary:

(1) The Board of Directors can appoint any qualified Nepalese Citizen as a Company secretary of the Company.

(2) The functions, duties and rights of the Company secretary appointed as per Sub-rule (1) shall be as prescribed by the Act.

(3) Other functions, duties and rights, remuneration and other terms of service of the Company Secretary shall be as prescribed by the Board of Directors during the appointment of such company secretary.

29. Provision Relating to the Seal of the Company:

(1) Company shall use a seal for its transactions. The seal shall be kept in the custody of the Managing Director or any other person designated by the Managing Director.

(2) The Company may recover the amount incurred from obligations due to unauthorized use of the seal of the Company from the person keeping the custody of the seal.

30. Provision Relating to Charges for the Copy:

(1) If a member or other concerned party demands the copy of the Memorandum of Association, Articles of Association, Audit Report, Record of Directors, Registration Certificate or other documents submitted to the Office, it shall be provided after receiving Five(5) rupees fees per page.

(2) A copy of the minute of functions and proceedings of general meeting may be obtained with a fee of rupees five (5)per page.

(3) A copy of the decision of Board of Directors may be obtained with a fee of rupees five (5) per page.

(4) A copy of register book of member may be obtained with a fee of rupees five (5) per page.

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31. Provision to Take or Give Loan by the Company:

The decision to acquire the loan shall be as per the decision of Board of Directors except where the decision should be acquired through the General Meeting.

32. Matters of Amalgamation of the Company:

(1) This Company cannot amalgamate itself into or amalgamate any other company incorporated pursuant to sub section (1) of section 3 of Companies Act.

(2) A special resolution must be passed in general meeting and the procedure of the Act must be completed if it is necessary to amalgamate this Company to another non-profit sharing company having similar objectives, or to amalgamate another non-profit sharing Company having similar objectives.

33. Liquidation of the Company:

(1) If the general meeting deems necessary to liquidate the Company it could be liquidate by passing a special resolution.

(2) While passing the resolution of liquidation pursuant to sub-rule (1), the general meeting shall appoint one or more than one liquidator/s or auditor/s for the function of liquidation. The remuneration of the liquidator/s or auditor/s shall be as fixed by the general meeting.

(3) Liquidator and Auditor appointed pursuant to sub-rule (2) shall perform act of liquidation of the Company.

34. Company's Liquidation and Company's Assets:

The possession of remaining assets after paying debt and liability of the Company after liquidation of the Company shall be transferred to Government of Nepal after passing such decision as a special resolution of the general meeting.

35. State that if there is any provision in existing laws to be shown in the Article of the Company having particular business.

No

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36. Other Necessary Matters:

To meet the objectives of the Company, the Board of Directors can form an advisory committee to advice on policy and other important subject matter. Such Advisory Committee shall have renowned scientists in technical field, engineers, lawyers, auditors, businessmen, and eminent people in the social sector.

37. Condition to Enforcement of Amendment of Articles of Association:

Passing a special resolution in the general meeting, any amendment in this Articles of Association can be made, whereby, this article of association shall be deemed as amended only after being recorded in the Office.

38. Article of Association will be invalid to the Extent of Inconsistency:

If the provision of this Articles of Association is inconsistent with the Act, other prevailing laws or memorandum of association, it shall be automatically invalid to the extent of inconsistency.

39. Detail of Promoters and Declaration:

We, the founders of Phutung Research Institute agree to incorporate and operate this Company according to prevailing law. Name, address, signature stated in this Articles of Association and matters relating to witnesses is true and real. If it is proved false by any causes, we are ready to bear any liability incurred after incorporation of the Company. Matters written in this Articles of Association are true; if it is proved false, we are ready to bear and pay according to law. With this declarations we sign and put thumb impressions on it.

Name, Address and Signature of Promoter	Father's/ Husband's Name	Citizenship Certificate No. and obtained district, Passport No. if foreigner	Name, Surname, Address and Signature of Witness	Citizenship Certificate No. and Obtained District's name of the Witness
SD Name: Suman	Narayan Basnet	29663	SD Name: Manish	271060/27827

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Basnet Address: Dolakha District, Bhimeshwor Municipality Ward no 9 Rt. Lft.			Raj Kharel Address: Kathmandu District, Kathmandu Municipality, Ward no 16 Rt. Lft.	
SD Name: Chintan Manandhar Address: Kathmandu District, Kathmandu Municipality, Ward no 16 Rt. Lft.	Purnaman Manandhar	11182	SD Name: Atit Babu Rijal Address: Kathmandu District, Kathmandu Municipality, Ward no 35 Rt. Lft.	1060/90088
SD Name: Ashim Dhakal Address: Kathmandu District, Phutung Village Development Committee, Ward no 2 Rt. Lft.	Damodar Dhakal	2149	SD 1. Name: Manjil Raj Kharel Address: Kathmandu District, Kathmandu Municipality, Ward no 16 Rt. Lft.	271060/40541
SD Name: Rajiv Dhakal Address: Kathmandu District, Phutung Village Development Committee, Ward	Ramhari Dhakal	18853	SD Name: Mohan Krishna Manandhar Address: Nuwakot District, Kakani Village	75418

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no 2 Rt. Lft.			Development Committee, Ward no 16 Rt. Lft.	
Sd. Name: Arjun Aryal Address: Kathmandu District, Goldhunga Village Development Committee, Ward no 3	Damodar Prasad Aryal	784	SD 1. Name: Sanjiv Dhakal Address: Kathmandu District, Phutung Village Development Committee, Ward no 2	271060/13072

Draftsperson of Memorandum of Association:

Name :Amrit Sapkota

License No. : 15252

Signature :SD

Date: :November 22, 2016 Done on Tuesday

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English/Nepali Translation

Dispatch No...1286/17

Amended Article of Association

of

PHUTUNG RESEARCH INSTITUTE

Registration number: 159260/073/074

(2073)

Article 10 of Article of Association

Quorum:

No functions and proceedings of the general meeting shall commence without more than sixty (60) percent attendance of members out of total members. However, in the recalled general meeting as stated in sub-rule (6) of rule 5, there shall not be hindrance to hold the meeting if fifty one (51) percent members attend the general meeting.

Article 15 of Article of Association

Provisions relating to remuneration, allowance and facility of the director:

Board of Director is not entitled to any kind of regular remuneration, meeting allowances, and other facilities.

Sub article (7) of Article 26 of Article of Association

The Company should file the regular audit report, renewal, and a copy of the annual general meeting including the annual report to the Social Welfare Council

Article 36 of Article of Association

(1) To meet the objectives of the company, the Board of Directors can form an advisory committee to advice on policy and other important subject matters. Such Advisory Committee shall have renowned scientists in technical field, engineers, lawyers, auditors, businessmen, and eminent people in the social welfare sector.

(2) If the Company acquires foreign funding, pre-approval of the Social Welfare Council should be acquired.

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