

THE COMPANIES ACT, 2013
(COMPANY LIMITED BY SHARES)
ARTICLES OF ASSOCIATION
OF
BHUBANESWAR SMART CITY LIMITED

Table F Shall not Apply

The Regulations contained in "Table F" of Schedule I to the Companies Act, 2013 shall not apply to the company, except in so far as the same are repeated or expressly made applicable in these articles or by the said Act.

These regulations for the management of the Company and for the observance by the members thereto and their representatives shall be subject to deletions, alterations or additions made pursuant to the statutory powers under the Companies Act, 2013 from time to time

1. INTERPRETATION

In the interpretation of these Articles, the following expressions shall have the following meanings unless repugnant to or inconsistent with the subject or context

- a. **"The Company"** or "this Company" means Bhubaneswar Smart City Limited
- b. **"Act"** means the Companies Act, 2013 and shall include any statutory modification or re-enactment thereof, from time to time;
- c. **"Applicable Law"** means any statute, law, regulation, ordinance, rule, judgment, order, decree, bye-law, approval from any Competent Authority, directive, guideline, policy, requirement, or other government restriction or any similar form of decision, or determination by, or any interpretation or administration having the force of law of any of the foregoing, by any Competent Authority having jurisdiction over the matter in question, whether in effect or at any time thereafter;
- d. **"Articles"** or **"Articles of Association"** means these Articles of Association of the Company, as amended from time to time;
- e. **"Auditor"** means Auditor appointed under Section 139 of the Companies Act 2013;
- f. **"Board of Director"** or **"Board"** means the collective body of the directors of the company.
- g. **"Board of Meeting"** means a meeting of the Board at which a Quorum is present;
- h. **"Business Day"** means any day on which banks are open for business in the State/UT of "Insert name of State";

- i. **Central Government** means Ministry of Urban Development, Government of India
- j. **“Chairperson”** means the chairperson of the Board as appointed under the provision of these Articles of Association.
- k. **“Chief Executive Officer”** means executive officer as defined under Section 2(18) of the Companies Act 2013.
- l. **“Circular Resolution”** means resolution within the meaning of section 175 of Companies Act 2013;
- m. **“Director”** means the Director appointed to the Board of the Company.
- n. **“Employees”** means the employee of the Company;
- o. **“Employees Stock Option”** means employees stock options as defined under Companies Act 2013.
- p. **“Extraordinary General Meeting”** means an Extra Ordinary General meeting of the members held in accordance with the provisions of section 100 of the Act;
- q. **“Financial Year”** has the meaning assigned to it pursuant to the provisions of section 2 (45) of the Act;
- r. **“General Meeting”** means a meeting of the Members;
- s. **“Government Authority”** or **“Regulatory Authority”** means any court, tribunal, arbitrator, statutory or regulatory authority, agency, commission, official or other instrumentality of India or any other country as applicable;
- t. **“Grants”** means funds given by the Central Government to the Company to be utilized for the specific purpose as prescribed by the Central Government.
- u. **“In Writing”** and **“Written”** include printing, lithography and other modes of representing or reproducing words in a visible form.
- v. **“Independent Director”** means Independent director as defined under Section 149(6) of the Companies Act 2013;
- w. **“Losses”** means any and all damages, fines, fees, penalties, deficiencies, losses and expenses (including without limitation interest, court costs, fees of legal counsel, accountants and other experts or other expenses of litigation or other proceedings or of any claim, default or assessment);
- x. **“Member”** means member under Section 2(55) of Companies Act 2013.
- y. **“Memorandum of Association”** means the Memorandum of Association of the Company as amended from time to time;
- z. **“Month”** means calendar month;
- aa. **“Municipal Act”** means legal framework which regulates municipal governance and service delivery.

- bb. “**New Securities**” shall have the meaning as set out in these presents;
- cc. “**Office**” means the registered office for the time being of the Company.
- dd. “**Ordinary Resolution**” and “**Special Resolution**” shall have meanings assigned thereto by Section 114 of the Act;
- ee. “**Paid-up Capital**” in relation to the Share Capital of the Company means the amount credited as paid up in respect of Shares, which are subscribed, issued and allotted;
- ff. “**Proxy**” is an instrument whereby any person is authorized to vote for a member at a general meeting on poll;
- gg. “**Quorum**” means a quorum for a Board Meeting, a quorum for a meeting of committee of the Board or a quorum for a General Meeting as prescribed in the Act and as provided herein;
- hh. “**Registrar of Companies**” means the Registrar of companies, under whose jurisdiction registered office of the company is for the time being situated;
- ii. “**Register of Member**” means the Register of Members to be kept pursuant to the Act, and the Register and index of beneficial owner maintained by the depository under Depositories Act, 1996;
- jj. “**Seal**” means the common seal of the Company;
- kk. “**SEBI**” means the Securities and Exchange Board of India;
- ll. “**Secretary**” means Secretary as defined under Section 2(24) of Companies Act 2013;
- mm. “**Securities**” means shares or any warrants, debentures, preference shares or debt instruments or other securities which are convertible into or exchangeable for Shares or any equity-linked securities or options or rights entitling the holder to subscribe to or acquire Shares, and includes hybrids;
- nn. “**Shares**” or “**a share**” means share in the capital of the Company, whether held in tangible or fungible form and includes stock except where a distinction between stock and shares is expressed or implied;
- oo. “**State Government**” means Government of Odisha.
- pp. “**Union Territory (UT)**” means Union Territory of India.
- qq. “**Urban Local Body**” means Municipal Corporation/Municipal Council of Bhubaneswar Municipal Corporation, BMC

The marginal notes used in these articles shall not affect the construction or interpretation thereof. Unless the context otherwise requires, the words or expressions contained in these articles shall bear the same meaning as in the Act. The Word importing the masculine gender shall include the feminine gender. Words importing the singular number only, include the plural number and vice versa.

2. KEY FUNCTIONS AND RESPONSIBILITIES OF THE COMPANY

The Company will plan, implement, manage and operate the Smart City Development projects. The key functions and responsibilities of the Company will include:

- i) Approve and sanction the projects including their technical appraisal.
- ii) Execute the Smart City Proposal with complete operational freedom.
- iv) Take measures to comply with the requirements of the MoUD /other Ministries/Departments of the Government of India/State Government Rules and regulations, local laws etc for implementation of the Smart Cities Mission. Mobilize resources within timelines and take measures necessary for the mobilization of resources.
- v) Approve and act upon the reports of a third party Review and Monitoring Agency.
- vi) Oversee Capacity Building activities.
- vii) Develop and benefit from interlinkages of academic institutions and organizations.
- viii) Ensure timely completion of projects according to set timelines.
- ix) Undertake review of activities of the Mission including budget, implementation of projects, preparation of Smart City Proposal (SCP) and co-ordination with other missions/schemes and activities of various Ministries/Departments.
- x) Monitor and review quality control related matters and act upon issues arising thereof.
- xi) Incorporation of joint ventures and subsidiaries and enter into Public Private Partnerships including with foreign entities as may be required for the implementation of the Smart Cities Mission.
- xii) Enter into contracts, partnerships and service delivery arrangements with Indian as well as foreign firms, as may be required for the implementation of the Smart Cities Mission.
- xiii) Determine and collect user charges as authorized by the ULB.
- xiv) Collect taxes, surcharges etc. as authorized by the ULB.
- xv) Any other functions as delegated by the Central Government/ State Government/ULB within the scope of Smart Cities Mission.

3. EXERCISE OF DELEGATED POWERS

The Company will exercise the following powers delegated by the State Government and ULB subject to extent and as provided under the Municipal Act;

- i. The rights and obligations of the municipal body with respect to the smart city projects;

- ii. Decision making powers available to the ULB under the Municipal Act/ Government Rules by the Chief Executive Officer;
- iii. Approval or decision making powers available to the Urban Development Department/ Local Self Government Department/ Municipal Administration Department by the Board of Directors of the Company.

4. SHARE CAPITAL

4.1 Authorized Share Capital

- a) The authorized Share Capital of the Company shall be such amount as stated in clause V of the Memorandum of Association of the Company including amendments thereto if any and present authorized capital is Rs.500 crore (Five Hundred crore) consisting of 5,00,00,000 (Five Crore) equity shares of Rs.100/- each.
- b) The minimum paid up capital of the company shall be Rs. 250 Crores (Two Hundred Fifty crore) consisting of 2,50,00,000 (Two Crore Fifty Lakh) equity shares of Rs.100/- each or such amount as decided by Govt. of Odisha from time to time in consultation with Board of Directors.
- c) The authorized Share Capital may be divided into several classes attaching thereto any preferential rights, privileges or conditions, which could be altered, reclassified or increased from time to time, in accordance with the terms hereof and legislative provisions for the time being in force in this behalf.
- d) State/UT and ULB will contribute in equal proportion to equity shareholding and their combined shareholding will always be in majority in total equity of the Company.

4.2 Power to issue Preference Shares

The Company shall have the power to issue preference shares subject to the provisions of the Act and a special resolution authorizing such issue, which shall prescribe the manner, terms and conditions of redemption and conversion, if any.

4.3 Issue of shares for consideration other than cash

Subject to these Articles and the provisions of the Act, the Board may issue and allot shares in the capital of the Company as payment or in consideration or as part payment or in part consideration of the purchase or acquisition of any property or for service rendered to the Company in the conduct of its business, and such shares shall become debt due to and recoverable by the Company from the allottees thereof and shall be paid by them accordingly.

4.4 Company's shares not to be purchased

Notwithstanding anything contained in these articles but subject to the provisions of sections 67 to 70 and any other applicable provisions of the Act or any other law for the time being in force, the company may purchase its own shares or securities or giving loans for purchase of such shares.

4.5 Issue and Allotment of Shares

Save as aforesaid and subject to these presents, the shares, whether forming part of the original capital or of any increased capital of the Company, shall be issued and allotted to such persons on such terms and conditions and, either at a premium or at par and at such times as the Board of Directors may think fit, but subject to the provisions of the Act, provided that the option or right to call of shares shall not be given to any person or persons without the sanction of the Company in General Meeting.

4.6 Call Money on shares to be duly paid

If, by the conditions of allotment of any share, the whole or part of the amount or issue price thereof, shall be payable by calls, every such installment shall, when due, be paid to the Company by the persons, who, for the time being and from time to time, shall be the registered holder of the share.

4.7 Liability of Joint-holders

The joint holders of a share shall be, severally as well as jointly, liable for the payment of all instalments and calls due in respect of such shares.

4.8 Shares to be numbered progressively and no shares to be sub-divided

The shares in the capital shall be numbered progressively according to their several denominations, and except in the manner herein mentioned, no share shall be subdivided.

4.9 Acceptance of shares

Any application signed by the applicant for shares in the Company, followed by an allotment of any share therein, shall be an acceptance of shares within the meaning of these presents; and every person who, thus or otherwise, accepts any shares and whose name is on the Register of members shall, for the purpose of these presents, be a Member.

4.10 Liability of Members

Every member or his heirs, executors, administrators shall pay to the Company the portion of the capital represented by his share or shares which may, for the time being remain unpaid thereon, in such amounts, at such time or times and in such manner as the Board of Directors shall, from time to time, require or fix for the payment thereof.

4.11 Trust not recognized

Except, as ordered by a Court of competent jurisdiction or as provided by the Act, no notice of any trust, express, implied or constructive shall be entered on the Register of Members or of Debenture holders of the Company.

5. RAISING AND UTILIZATION OF FUNDS

- (i) The Company may raise additional finance to the extent permitted by law including but not limited to by means of (a) loans and subsidies, (b) by way of deposits; (c) User Charges, Taxes, Surcharges (d) Grants by State Government and Central Government. Such additional funds may be utilized by the Company for such purpose that the Board deems fit subject to conditions laid down by the respective Governments.
- (ii) Funds given by Central Government to the Company will be in the shape of tied grants. These funds given by the Central Government as "Tied Grants" will be kept in a separate Grant Fund. The Grant Fund will be utilized only for the purposes given in the Mission Statement and Guidelines and subject to conditions laid down by the Central Government in this regard.
- (iii) The ULB may through the State Government request MoUD to permit utilization of Government of India grants as ULB's equity contribution in the Company subject to the following conditions:
 - a) The State Government has made adequate contribution to the SPV out of its own funds.
 - b) The approval will be limited to the initial GOI grants that have already been released. Since future instalments of Smart City grants are subject to performance and are not guaranteed, the ULB will not be permitted to earmark future instalments to meet its equity contribution.
 - c) The utilization of GOI grants as equity contribution will not alter the relative shareholding of the State Government and the ULB as per mission guidelines.
 - d) The GOI contribution to Smart Cities is strictly in the form of grant and the ULB is exercising its own discretion in utilizing these funds as its equity contribution to the Company.

6. SHARE CERTIFICATES

6.1 Certificates- how to be issued

The certificate of title to shares shall be issued under the Seal of the Company and shall bear the signature of any person or persons authorized by the Board in that behalf. The Company shall within two months {section 56 (4)(b) of Companies Act 2013}after the allotment of shares, complete delivery of the certificates of shares allotted. The Director may sign a share certificate by affixing his signature thereon by means of any machine equipment or other mechanical means such as engraving in metal or lithography. Notwithstanding anything contained in this Article, the certificates of title to shares may be executed and issued in accordance with such other revisions of the Act or the Rules made thereunder, as may be in force for the time being and from time to time.

6.2 Member's right to Certificate

Every member shall be entitled, free of charges, to one certificate for all the shares registered in his name. And the particulars of every share certificate issued shall be entered in the Register of Members against the name of the person, to whom it has been issued, indicating the date of issue(s). Every certificate of shares shall specify the

number and the denoting number/numbers of the shares in respect of which it was issued and the amount paid up thereon. For each further certificate, the Directors shall be entitled, but shall not be bound, to prescribe a charge not exceeding one rupee. The Company shall comply with the provisions of Section 56 of the Act.

6.3 Fractional Certificate

The Company may issue such fractional certificates as the Board of Directors may approve in respect of any of the shares of the Company, on such terms as the Board of Director thinks fit, as to the period within which the fractional certificates are to be converted into share certificates.

6.4 Issue of new Certificate in place of defaced, lost or destroyed

- (i) If any certificate be worn out or defaced or torn or otherwise mutilated or there is no further space on the back thereof for endorsement of transfer, then upon production thereof to the Board of Directors, they may order the same to be cancelled and may issue a new certificate in lieu thereof; and if any certificate be lost or destroyed, then, upon proof thereof to the satisfaction of the Board of Directors and on such indemnity as the Board deems adequate being given and the payment of out-of-pocket expenses incurred by the Company and upon such advertisement being published as the Board may require, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Such sum not exceeding two Rupees as the Board of Directors may from time to time prescribe shall be, paid to the Company for every certificate issued under this Article, provided that no fee shall be charged for issue of new certificates in replacement of those which are old, decrepit or worn out or where the pages on the reverse for recording transfers have been fully utilised. When a new share certificate has been issued in pursuance, it shall state on the face of it and against the stub or counterfoil to the effect that it is "duplicate issued in lieu of share certificate No.____." The word "Duplicate" shall be stamped or punched in bold letters across the face of the share certificate. Where a new share certificate has been issued in pursuance of this Article, particulars of every such share certificate shall be entered in a Register of Renewed and Duplicate Certificates indicating against the names of the persons to whom the certificate is issued, the number and date of issue of the share certificate in lieu of which the new certificate is issued and the necessary changes indicated in the Register of Members by suitable cross reference in the "Remarks" column.
- (ii) All blank forms to be used for issue of share certificates shall be printed and the printing shall be done only on the authority of a resolution of the Board. The blank forms shall be consecutively machine-numbered and the forms and the blocks engravings, facsimiles and hues relating to the printing of such forms shall be kept in the safe custody of the Secretary or of such other person as the Board may appoint for the purpose; and the Secretary or the other person aforesaid shall be responsible for rendering an account of these forms to the Board.
- (iii) Chief Executive Officer of the Company for the time being or, if the Company has no Chief Executive Officer, every Director of the Company shall be responsible for the maintenance, preservation and safe custody of all books and documents relating to the issue of share certificates except the blank forms of share certificate refer to Article 4 and 6.

6.5 Issue of Certificate to Joint-holders

The certificate of shares registered in the names of two or more persons shall be delivered to the person first named in the Register.

6.6 The first named of Joint-holders deemed sole holder

If any share stands in the names of two or more persons, the person first named in the Register shall, as regards receipt of dividends or bonus, or service of notices or any other matter connected with the Company except, voting at meetings and the transfer of the shares, be deemed the sole holder thereof, but the joint holders of a share shall be, severally as well as jointly, liable for the payment of all installments and calls due in respect of such share and for all incidents thereof, according to the provisions of the Act.

6.7 Calls

The Board of Directors may, from time to time, by resolution passed at a meeting of the Board of Directors, and not by a circular resolution, make such calls, as they think fit, upon the members in respect of all moneys unpaid on the shares held by them (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times. Each member shall pay the amount of every call so made on him, to the persons, and at the time and place appointed by the Board of Directors. A call may be made payable by installments and shall be deemed to have been made when the resolution of the Board of Directors authorizing such calls was passed.

6.8 Notice of Call

Subject to the provisions of the Agreement, at least fourteen (14) days notice of any call shall be given by the Company specifying the time and place of payment and to whom such calls shall be paid, provided that, before the time for payment of such call, the Board of Directors may, by notice in writing to the members, revoke the same or extend the time for payment thereof.

6.9 Call to date from Resolution

Call shall be deemed to have been made at the time when the resolution authorizing such call was passed at a meeting of the Board and may be made payable by those members whose names appear on the register of members on such dates, or at the discretion of the Directors on such subsequent dates as may be fixed by the Directors.

6.10 Amount payable at fixed times or by installments payable as calls

If, by the terms of issue of any share or otherwise, any amount is or becomes payable on allotment or at any fixed date or by installments at fixed time, whether on account of the nominal amount of the share or by way of premium, every such amount or installment shall be payable as if it were a call duly made by the Board of Directors and payable on the date on which, by the terms of issue or otherwise, such sum becomes payable and of which due notice has been given. In case of non-payment of such sum, all the relevant provisions herein contained as to payment of interest and expenses, forfeiture or otherwise shall apply as if such amount had become payable

by virtue of a call duly made notified.

6.11 When interest on call or installment payable

If a sum payable in respect of any call or installment be not paid on or before the day appointed for payment thereof, the holder for the time being of the share in respect of which the call shall have been made or the installment shall be due, shall pay interest at such rate as the Board of Directors may determine. The Board of Directors may, however, in their absolute discretion, waive payment of any interest.

6.12 Evidence in action for call

On the trial or hearing of any action for the recovery of any money due for any call, it shall be sufficient to prove that the name of the member sued is entered in the register as the holder or one of the holders, of the shares, in respect of which such debt accrued, that the resolution making the call is duly recorded in the minute book and that notice of such call was duly given to the member sued, in pursuance of these presents and it shall not be necessary to prove the appointment of the Directors who made such call, nor that of a quorum nor any other matters whatsoever and the proof of the matters aforesaid shall be conclusive evidence of the debt.

6.13 Partial payment not to preclude forfeiture

Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares, nor the receipt by the Company of a portion of any money, which shall from time to time be due from any member in respect of any shares either by way of principal or interest, nor any indulgence granted by the Company in respect of payment of any such money shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as herein provided.

6.14 Payments of call in advance

The Board of Directors may, if they think fit, receive from any member willing to advance the same, all or any part of the sum due upon the shares held by him beyond the sums actually called for, and upon the moneys so paid in advance or so much thereof, as from time to time exceeds the amount of calls then made upon the shares in respect of which such advance has been made, the Company may (until the same would but for such advance become presently payable) pay interest at such rate not exceeding nine (9) per cent per annum to the member paying such sum in advance and the Board of Directors may agree upon and the Board of Directors may at any time repay the amount so advanced upon giving to such member three (3) months notice in writing. The member making such advance payment shall not, however, be entitled to dividend or to participate in profits of the Company or to any voting rights in respect of the money so paid by him until the same would, but for such payment, become presently payable.

6.15 Proof on trial of suit for money due on shares

On the trial or hearing of any action or suit brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the Members in respect of whose shares the money is sought to be recovered, appears

entered on the Register of Members as the holder, at or subsequently to the date at which the money sought to be recovered is alleged to have become due on the shares in respect of which such money is sought to be recovered, that the resolution making the call is duly recorded in the Minute Book; and that notice of such call was duly given to the Member or his representatives so sued in pursuance of these Articles; and it shall not be necessary to prove the appointment of the Directors who made such call nor that a quorum of Directors was present at the Board at which any call was made, nor that the meeting at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.

6.16 Payment in anticipation of calls may carry Interest

- (i) The Board may, if it thinks fit, agree to and receive from any Member willing to advance the same, all or any part of the amounts of his respective shares beyond the sums, actually called up and upon the moneys so paid in advance, or upon so much thereof, from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made the Board may pay or allow interest, at such rate as the Member paying the sum in advance and the Board agree upon. The Board may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to the Member three months' notice in writing. Provided that moneys paid in advance of calls on any shares may carry interest but shall not confer a right to dividend or to participate in profits.
- (ii) No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable.

6.17 Members not entitled to privileges of membership until all calls paid.

No members shall be entitled to receive any dividend or to exercise any privilege as a member, including such privilege of voting, until he shall have paid all calls for the time being due and payable on every share held by him, whether alone or jointly with any other person, together with interest and expenses, if any.

7. FORFEITURE AND LIEN

7.1 If call or installment not paid, notice may be given

If any member fails to pay any call or installment on or before the day appointed for the payment of the same, the Board of Directors may at any time thereafter, during such times as the call or installment remains unpaid, serve a notice on such member requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

7.2 Form of notice

The notice shall name a day (not being earlier than the expiry of fourteen (14) days

from the date of service of the notice) and a place(s), on and at which such call or installment and such interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment on or before the time and at the place appointed, the shares in respect of which the call was made or installment is payable will be liable to be forfeited.

7.3 If notice not complied with, shares may be forfeited

If the requisitions of any such notice as aforesaid are not complied with, any shares in respect of which such notice has been given may, at any time thereafter, before payment of all calls or instalments, interest and expenses, due in respect thereof, be forfeited by a resolution of the Board of Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.

7.4 Notice of forfeiture

When any share has been so forfeited, notice of the resolution of the Board of Directors shall be given to member in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture with the date thereof shall forthwith be made in the register of members, provided however, that the failure to give the notice will not in any way invalidate the forfeiture.

7.5 Forfeited shares to become property of the Company

Any shares so forfeited shall be deemed to be the property of the Company and the Board of Directors may sell, re-allot and other-wise dispose of the same in such manner as they think fit.

7.6 Power to annul forfeiture

The Board of Directors may, at any time, before any shares so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof as a matter of grace and favour but not as of right, upon such terms and conditions as they may think fit.

7.7 Arrears to be paid notwithstanding forfeiture

Any member whose shares shall have been forfeited shall, notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company all calls, installments, interest and expense, owing upon or in respect of such shares at the time of forfeiture, together with interest thereon; from the time of forfeiture until payment, at the rate twelve (12) per cent per annum and the Board of Directors may enforce the payment of such moneys or any part thereof if they think fit, but shall not be under any obligation so to do.

7.8 Effect of forfeiture

The forfeiture of a share shall involve the extinction of all interests in and also of all claims and demands against the company in respect of the share and all other rights incidental to the same, except only such of those rights as by these presents are

expressly saved.

7.9 Certificate of forfeiture

A certificate in writing under the hands of a Director or the Secretary of the Company, that the call in respect of a share was made and notice thereof given and that default in payment of the call was made and that the forfeiture of the shares was made by a resolution of the Board of Directors to that effect, shall be conclusive evidence of that fact stated therein as against all persons entitled to such share.

7.10 Title of purchaser and allottees of forfeited shares

The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposal thereof and may execute transfer of the share in favour of the person to whom the share is sold or disposed of and the person to whom such share is sold, re-allotted or disposed of may be registered as the holder of the share. Any such purchaser or allottee shall not (unless by express agreement) be liable to pay any calls, amounts, installments, interest and expenses owing to the Company prior to such purchase or allotment nor shall he be entitled (unless by express agreement) to any of the dividends, interest or bonuses accrued or which might have accrued upon the share before the time of completing such purchase or before such allotment. Such purchaser or allottees 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 proceedings in reference to the forfeiture, sale, re-allotment or disposal of the share.

7.11 Cancellation of share certificates in respect of forfeited shares

Upon any sale, re-allotment or other disposal under the provision of the preceding Articles, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting Member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons entitled thereto.

7.12 Company's lien on shares

The Company shall have no lien on its fully paid-up shares. In the case of partly paid up shares, the Company shall have a lien only to the extent of all moneys called or payable at a fixed time in respect of such shares, otherwise such partly paid up shares shall be free from any lien of the Company. Any lien on shares shall extend to all dividend and bonus from time to time declared in respect of such shares. Unless otherwise agreed, the registration of a transfer of shares shall operate as a waiver of the Company's lien, if any on such shares. The Board of Directors may at any time declare any shares to be wholly or in part exempt from the provisions of this Article.

7.13 Enforcement of lien by sale

For the purpose of enforcing such lien, the Board of Directors may sell the shares subject thereto in such manner as they think fit; but no sale shall be made until notice

in writing of the intention to sell has been served on such member or in the event of his death or insolvency, on his heirs, executors or administrators and, default shall have been made by him or them in the payment, fulfillment, or discharge of such debts, liabilities, or engagements for seven days after such notice. To give effect to any such sale, the Board may authorize any person to execute an instrument of transfer in respect of the shares sold and to transfer the shares sold to the purchaser thereof and the purchaser shall be registered as the holder of the shares comprised in any such transfer. Upon any such sale as aforesaid, the certificates in respect of the shares sold shall stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new certificate in lieu thereof to the purchaser concerned.

7.14 Application of proceeds of sale

The net proceeds of such sale shall be received by the Company and, after payment of the cost of such sale, shall be applied in or towards satisfaction of the debts, liabilities or engagements of such member and the residue if any, paid to him, his heirs, executors and administrators or assignees or other legal representatives, as the case may be.

7.15 Validity of Sale in lien and after exercise of forfeiture

Upon any sale after forfeiture or for enforcing a lien, in purported exercise of the powers hereinbefore given, the Board of Directors may appoint any person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the Register in respect of the shares sold and the purchaser shall not be bound to see to the regularity of the proceeding nor to the application of the purchase money and after his name has been entered in the Register in respect of such shares, the validity of the sale and the entry in the Register in respect of the shares sold shall not be impeached by any person.

7.16 Board of Directors may issue new certificates

Where any shares under the powers in that behalf herein contained are sold by the Board of Directors after forfeiture or for enforcing a lien, and the certificate in respect thereof has not been delivered to the Company by the former holder of such shares, the Board of Directors may issue a new certificate of such shares distinguishing it in such manner as they may think fit from the certificate not so delivered.

7.17 Application of forfeiture provisions

The provisions of the Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of the 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 been payable by virtue of a call duly made and notified.

8. TRANSFER OF SHARES

8.1 Restriction on Transfer and Permissible Transfer

- (i) Any Transfer of Shares or other securities attempted in violation of this Article shall be null and void, shall not be binding upon the Company or the Board. The Company

shall not register the Transfer of any Securities of the Company, except in the manner and to the extent permitted by these Articles.

- (ii) No Shareholder shall sell, transfer or assign its shares or any part thereof at a price lower than the par value of the shares, without the express prior written consent of the remaining Shareholders.
- (iii) All Transfers of securities shall be subject to Applicable Law and any covenants under any financing agreements or other agreements.

8.2 Register of Transfer

The Company shall keep a "Register of Transfer", and therein shall be fairly and distinctly entered particulars of every transfer or transmission of any share.

8.3 Form of transfer

The instrument of transfer shall be in writing and all the provisions of Section 56 of the Companies Act and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfers of shares and the registration thereof.

8.4 Transfer form to be completed and presented to the Company

The instrument of Transfer duly stamped and executed by the Transferor and the Transferee shall be delivered to the Company in accordance with the provisions of the Act. The Instrument of the Transfer shall be accompanied by such evidence as the Board may require to prove the title of Transferor and his right to transfer the shares and every registered Instrument of Transfer shall remain in the custody of the Company until destroyed by order of the Board. The Transferor shall be deemed to be the holder of such shares until the name of the Transferee shall have been entered in the Register of Members in respect thereof. Before the registration of a transfer the certificate or certificates of the shares must be delivered to the Company.

8.5 Transfer Books and Register of Members when closed

The Board shall have power on giving not less than seven days' previous notice by advertisement in some newspaper circulating in the district in which the Registered Office of the Company is situated to close the Transfer Books, the Register of Members or Register of Debenture holders, at such time or times and for such period or periods, not exceeding thirty days at a time and not exceeding in the aggregate forty-five days in each year.

8.6 Directors may refuse to register transfers

The provisions of Section 58 (2) of the Act, will regulate the transfer of securities or other interests. Any refusal to register the transfer of the securities within a period of thirty days from the date on which the instrument or transfer or the intimation of transmission, as the case may be, is delivered to the company, the transferee may, within a period of sixty days of such refusal or where no intimation has been received from the company, within ninety days of the delivery of the instrument of transfer or intimation of transfer may appeal to the tribunal in accordance with subsection 4 of Section 58 of the Act.

8.7 **Notice of application when to be given**

Where, in the case of partly paid shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56 of the Act.

9. **TRANSMISSION OF SHARES**

9.1 **Option to Exercise by Nominee**

- (i) Notwithstanding, anything to the contrary to these Articles, every holder of Shares in, or holder of debentures or other securities of the Company may, at any time, nominate in the prescribed form, pursuant to Section 72 of the Act and the Rules made thereunder, any person to whom his shares, debentures or other securities shall vest in the event of his death.
- (ii) Any person who becomes a nominee as above, shall, in accordance with and subject to Section 2 of the Act, and upon such evidence as may be required by the Board elect either, to be registered himself as holder of the share or debenture or other security, as the case may be, or
- (iii) To make such transfer of the share or debenture or other security, as the case may be, to the person as may be specified by the Board of Directors of the Company at a value to be fixed by the Company's Auditors.

9.2 **The Board has a right to decline registration**

The Board shall, in either case, have the same right to decline or suspend registration, as it would have had, if the deceased shareholder or debenture holder as the case may be had transferred the shares or debentures, as the case may be, before his death

9.3 **Death of one or more joint-holders of shares**

In the case of the death of any one or more of the persons named in the Register of Members as the joint-holders of any share, the survivor or survivors shall be the only person recognised by the Company as having any title to or interest in such share, but nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other person.

9.4 **Title to shares, etc. of deceased Members**

Where a shareholder, debenture holder or the holder of other security has not nominated any other person pursuant to Section 72 of the Act, the executors or administrators or holders of a Succession Certificate or the legal representatives of a deceased member (not being one of two or more joint-holders) shall be the only persons recognised by the Company as having any title to the shares, debenture, or other securities registered in the name of such person, and the Company shall not be bound to recognise such executors or administrators or holders of a Succession Certificate or the legal representatives unless such executors or administrators or legal representatives shall have first obtained Probate or Letters of Administration or Succession Certificate, as the case may be, from a duly constituted Court in the Union of India; provided that in any case where the Board in its absolute discretion thinks

fit, the Board may dispense with production of Probate or Letters of Administration or Succession Certificate, upon such terms as to indemnity or otherwise as the Board in its absolute discretion may think necessary and under **Article 8** register the name of any person who claims to be absolutely entitled to the shares standing in the name of a deceased Member as a Member.

9.5 No transfer to Infant etc

No share shall in any circumstances be transferred to any infant, insolvent or person of unsound mind.

9.6 Registration of persons entitled to shares otherwise than by transfer

Subject to the provisions of the Act and these presents any person becoming entitled to shares in consequence of the death, lunacy, bankruptcy or insolvency of any Member, or by any lawful means other than by a transfer in accordance with these Articles, may, with the consent of the Board (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of such title as the Board thinks sufficient, either be registered himself as the holder of the shares or elect to have some person nominated by him and approved by the Board registered as such holder; provided nevertheless, that if such person shall elect to have his nominee registered, he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained, and until he does so, he shall not be freed from any liability in respect of the shares.

9.7 Fee on transfer or transmission

There shall be paid to the Company, in respect of the transfer or transmission of any number of shares to the same party, such fee, if any, as the Directors may require.

9.8 Company not liable for disregard of a notice prohibiting registration of a transfer

The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice, or referred thereto, in any book of the Company, and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some book of the Company, but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Board shall so think fit.

9.9 Title to share of deceased holders

The executors or administrators of a deceased member shall be the only persons recognized by the Company as having any title to his share, except in case of joint holders, in which case the surviving holder or holders or the executors or

administrators of the last surviving holder shall be the only persons entitled to be so recognized; but nothing herein contained shall release the estate of a deceased joint holder from any liability in respect of any share jointly held by him. The Company shall not be bound to recognize such executor or administrator unless he shall have obtained probate or letters of administration or other legal representation, as the case may be, from a duly constituted Court in India having power to grant such probate or letters of administration. Provided nevertheless, that in cases which the Board in its discretion consider to be special cases and in such cases only, it shall be lawful for the Board of Directors to dispense with the production of probate or letter of administration or such other legal representation, upon such terms as to indemnity or otherwise, as the Board of Directors may deem fit. The holder of succession certificate relating to the share of a deceased member and operative in the State of (insert name of State/UT) shall be deemed to be an administrator for the purpose of this Article.

9.10 Persons entitled may receive dividends without being registered as members

- i) A person entitled to a share by transmission on account of death, bankruptcy or insolvency of a shareholder shall subject to the right of the Directors to retain any dividends or moneys as provided in these Articles, be entitled to receive, and may give a discharge for, any dividends or other moneys payable in respect of the share.
- ii) The Shareholder shall procure that the Board in making any decision in relation to the declaration of dividends and the appropriation of surplus shall consider the following factors;
 - a. the maintenance of prudent and proper reserves including allowance for future working capital, provision for tax, and other restrictions required by local law;
 - b. the due and prudent provision for all actual and carried forward losses of the Company;
 - c. the due and prudent provision for the payment of all indebtedness, borrowings and loans owed by the Company to the Shareholders or to banks and financial institutions as unsecured creditors; and
 - d. any other factors which the Shareholders may agree to be taken into account
- iii) The Shareholders shall procure any dividend recommended by the Board to be approved by the Shareholders and distributed by the Company not later than 30 days of such approval at a General Meeting. The right to dividends will vest on the date of the General Meeting approving such dividends and dividends will be paid on each Share, which was registered with the Company on the record date.

The record date for determining entitlement to any such dividend shall be a date 30 days prior to the date of the General Meeting to recommend such dividend.

9.11 Board may require evidence of transmission

Every transmission of shares shall be verified in such manner as the Board of Directors may require and the Company may refuse to register any such transmission until the same is so verified or until and unless an indemnity is given to the Company with regard to such registration which the Board of Directors in their discretion shall

consider sufficient; provided nevertheless that there shall not be any obligation on the Company or the Board of Directors to accept any indemnity.

9.12 Transfer by legal representative

A transfer of the share in the Company of a deceased member thereof, made by his legal representative shall, although the legal representative is not himself a member, be as valid as if he had been a member at the time of the execution of the instrument of transfer.

10. INCREASE, REDUCTION AND ALTERATION OF CAPITAL

10.1 Alteration of capital

The Company in General Meeting may, from time to time by an Ordinary Resolution alter the conditions of its Memorandum of Association as follows that is to say;

- (i) It may increase its share capital by such amount as it thinks expedient by issuing new shares to private and other investors. Even in case private and other equity shareholders are inducted into the Company, State/UT and the ULB will maintain their contribution in equity shareholding in equal proportion and will together maintain a majority equity shareholding in the Company.
- (ii) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares.
- (iii) Subdivide its shares, or any of them, into shares of smaller amount than that is fixed by the memorandum, so however, that in the sub-division the proportion between the amount paid and the amount if any unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived.
- (iv) Cancel any share which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.
- (v) The resolution whereby any share is sub-divided may determine that as between the holders of the shares resulting from such sub division one or more of such shares shall have the same preference or special advantage as regards dividend, capital or otherwise as compared with the others.

10.2 Offer of New Securities

Notwithstanding anything herein contained, any securities ("New Securities"), to be issued by the Company, shall be first offered for subscription to all Shareholders in proportion to their respective shareholding percentages.

10.3 New capital same as existing capital

Except so far as otherwise provided by the conditions of issue or by these presents, any capital raised by the creation of new shares shall be considered as part of the original capital, and shall be subject to the revisions herein contained, with reference to the payment of calls and instalments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.

10.4 Redeemable Preference Shares

Subject to the provisions of the Section 55 of the Act, the Company shall have the power to issue Preference Shares which are or at the option of the Company are liable to be redeemed and the resolution authorizing such issue shall prescribe the manner, terms and conditions of redemption.

10.5 Voting right of Preference Holders of Shares

The holder of Preference shares shall have a right to vote only on Resolutions which directly affect the rights attached to his Preference Shares. The Preference Shareholders shall also be entitled to vote on every kind of Resolution placed before the Company at any meeting until and then only for so long as their dividends are more than 2 years in arrears preceding the date thereof.

10.6 Provisions to apply on issue of Redeemable Preference Shares

On the issue of Redeemable Preference Shares under the Provisions of Article 77 hereof the following provisions shall take effect:-

- (i) no such shares shall be redeemed except out of the profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purpose of the redemption;
- (ii) no such shares shall be redeemed unless they are fully paid;
- (iii) The premium, if any, payable on redemption must have been provided for out of the profits of the Company or the Company's Share Premium Account before the shares are redeemed; (iv) where any such shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called the "Capital Redemption Reserve Account", a sum equal to the nominal amount of the shares redeemed and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 55 of the Act, apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company.

10.7 Power to vary shareholders rights

Whenever the capital, by reason of the issue of Preference Shares or otherwise, is divided into different classes of shares, all or any of the rights and privileges attached to each class may subject to the provisions of Section 48 of Act be modified, commuted, affected or abrogated, or dealt with by agreement between the Company and any person purporting to contract on behalf of that class, provided such agreement is ratified in writing by holders of at least three-fourths in nominal value of the issued shares of the class or is confirmed by a Special Resolution passed at a separate general meeting of the holders of shares of that class.

10.8 Reduction of Capital

Subject to the provisions of the Section 66 of the Act and subject to confirmation by the Tribunal on an application by the company which may by a special resolution reduce the share capital in any manner in a particular way: may-

- a) Extinguish or reduce liability on any of its share not paid up or;
- b) Either with or without extinguishing or reducing liability or any of its shares –
- i) Cancel any paid up share capital which is lost or is unrepresented by available assets; or
- ii) Pay off any paid up share capital which is in excess of the wants of the company;
- iii) Alters its memorandum for reducing the amount of its share capital or of its shares accordingly. Provided that no such reduction shall be made if it is in arrears in the repayment of any deposits it accepted by either before or after the commencement of the Act or interest payable thereof.

11. BORROWING POWERS

11.1 Power to Borrow

Subject to the provisions of section 179 & 180 of Act, the Board of Directors may, from time to time, by a resolution passed at a meeting of the Board, accept deposits from members, either in advance of calls or otherwise and, may generally raise or borrow or secure the payment of any sum or sums of money for the Company. Provided however, where the moneys to be borrowed together with the moneys already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the paid-up capital of the Company and its free reserves (not being reserves set apart for any specific purpose), the Board of Directors shall not borrow such moneys without the consent of the Company in general meeting.

11.2 Conditions for repayment of Moneys borrowed

The payment or repayment of moneys borrowed pursuant to **Article 11** may be secured in such manner and upon such terms and conditions in all respects as the Board of Directors may think fit, including by the issue of debentures or debenture stock of the Company, with charge on all or any part of the undertakings or property of the Company (both present and further) and its uncalled share capital for the time being.

11.3 Debentures to be subject to control of Directors

Any debentures, debenture stock, bonds or other securities, issued or to be issued, by the Company shall be under the control of the Board of Directors who may issue them upon such terms and conditions and in such manner and for such consideration as they shall consider to be for the benefit of the Company.

11.4 Terms of issue of Debentures

Any debentures, debenture stock, or other securities may be issued at a discount, premium or otherwise, and may be issued on condition that they shall be convertible into shares of any denomination, and with privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending General Meeting of the Company and right to appoint Directors and otherwise. Subject to presents, debentures carrying the right of conversion into or allotment of shares shall be issued

only with the consent of the Company in General Meeting and subject to provisions of section 53 of the Act.

11.5 Mortgage of uncalled capital

If any uncalled capital of the Company is included in or charged by any mortgage or other security, the Board of Directors shall, subject to the provisions of the Act and these presents, make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed or, if permitted by the Act, may, by instrument under the Company's Seal, authorize the person in whose favour such mortgage or security is executed or any other person in trust for him, to make calls on the members in respect of such uncalled capital, and the provisions herein before contained in regard to calls shall, mutatis mutandis, apply to calls made under such authority, and such authority may be made exercisable either conditionally or unconditionally and either presently or contingently and either to the exclusion of the Board's power or otherwise, and shall be assignable if expressed so to be.

11.6 Priority over charge on uncalled capital

Where any uncalled capital of the Company is charged, all persons taking any subsequent charge thereon shall take the same subject to such prior charge, and shall not be entitled by notice to the shareholders or otherwise, to obtain priority over such prior charge.

11.7 Indemnity may be given

If the Directors or any of them or any other person shall become personally liable for the payment of any sum primarily due from the Company, the Board of Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company, by way of indemnity to secure the Directors or persons so becoming liable as aforesaid, from any loss in respect of such liability.

12. BOARD OF DIRECTORS

12.1 Number of Director

i) The Board of Directors will comprise of minimum 3 (Three) Directors and maximum 15 (Fifteen) as per provisions of Section 149 of Companies Act, 2013 with at least 1/3 (One - Third) of the Board, being Independent Directors. Following persons shall act as Directors of the Company as per notification No. 4741 of H&UD Department, Government of Odisha Dated 23/02/2016:

- | | | |
|------|---|-------------|
| i) | Development Commissioner-cum- Addl. Chief Secretary | Chairperson |
| ii) | Secretary, Finance Department : | Director |
| iii) | Secretary, H&UD Department : | Director |
| iv) | Government of India Representative: | Director |

v)	Vice-Chairman, Bhubaneswar Development Authority (BDA)	Director
vi)	Municipal Commissioner, BMC Bhubaneswar:	Director
vii)	Commissioner of Police:	Director
viii)	Chief Executive Officer of SPV:	Director
ix)	Independent Director (5 nos of which at least 1 will be women):	Director

(Note:- The Board composition/board committee/appointment of directors has to be in compliance with Companies Act 2013 read with Companies (Appointment and Qualification of Directors) Rules 2014, depending on its paid up capital and other criteria prescribed

- ii) In addition to the CEO and Functional Directors, Additional Directors (such as representative of parastatal) may be taken on the Board if considered necessary.
- iii) In case the government of Odisha modifies the composition of directors of the company by issuing new or fresh GR (Government Resolution), the composition of the Board shall be amended accordingly subject to retaining the representation of the Central Government and proportionate representation of Independent Directors.
- iv) Except the Chairperson, one third of the director shall retire every year in accordance to the provisions of section 152 of the Act.

12.2 First Directors:

Following are the First Director of the Company:

1. Shri Rengaraju Balakrishnan
2. Shri Govindarajan Mathivathanan
3. Dr. Krishan Kumar

12.3 Company may increase or reduce the number of Directors

Subject to Sections 149 and 152 of the Act, the Company may, by ordinary resolution, from time to time, increase or reduce the number of Directors, within the limits fixed in that behalf by those present. In the event of an increase or decrease in the number of Directors, the nomination of Directors by each Shareholder shall be in proportion to each Shareholder's interest in the Company, unless otherwise agreed upon by the Shareholders.

12.4 Appointment of Representative of the Central Government Representative and Independent Director

a) Representative of the Central Government:

- (i) Notwithstanding anything to the contrary contained in these Articles, the representative of the Central Government will be a Director in the Board of the Company and nominated by the Ministry of Urban Development. He will hold office

for the period as decided by the Central Government subject to the provisions of the Act.

- (ii) The Board of Directors of the Company shall have no power to remove from office the Representative of the Central Government. Representative of the Central Government shall not be required to hold any share qualification in the Company. Also Representative of the Central Government shall not be liable to retirement by rotation of Directors. Subject as aforesaid, the Representative of the Central Government shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.
- (iii) The Representative of the Central Government so appointed shall hold the said office for the period as decided by the Central Government.
- (iv) The Representative of the Central Government appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and all the Meetings of the Committee of which the Representative of Central Government is member as also the minutes of such meetings.
- (v) The Company shall pay the Representative of the Central Government sitting fees and expenses which the other Directors of the Company are entitled, subject to provisions of Schedule V of the Act.
- (vi) Provided that if any such Representative of the Central Government is an officer of the Government, the sitting fees, in relation to such Representative of the Central shall also accrue to the Central Government and the same shall accordingly be paid by the Company directly to the Central Government.
- (vii) Provided also that in the event of the Representative of the Central Government being appointed as whole-time Director such Representative of the Central Government shall exercise such powers and duties as are usually exercised or available to a whole-time Director, in the management of the affairs of the Company. Such Representative of the Central Government shall be entitled to receive such remuneration, fees, commissions and monies as approved by the Board of Directors and in compliance with the approved policy of the Government regarding receipt of remuneration, fees, commission or monies by its representatives in force at the relevant time.

b). Independent Directors

- (i) The Company and shareholders will comply with the provision of the Act with respect to induction of independent Directors. The Independent Directors may be selected from the data bank maintained by Ministry of Corporate Affairs. Preference will be given to those who have served as Independent Directors fulfilling conditions of the SEBI (Listing obligations and disclosure requirements), Regulations, 2015 or any other notified website
- (ii) The Independent Director may be appointed for a term of up to five consecutive years on the Board. However, in case of his reappointment for further five years, then special resolution passed in general meeting and disclosure of such appointment is made in Board's report is required.
- (iii) The Independent Director shall not be entitled to any stock options. He may receive

remuneration by way of sitting fee, reimbursement of expenses incurred for participation in the Board and other committee meetings and profit related commissions as may be approved by the members as provided under Section 197 (5) of the Act.

- (iv) An independent director shall be held liable only in respect of such acts of omission or commission by company which had occurred with knowledge, attributable through Board processes and with his consent or connivance or where he had not acted diligently.
- (v) The Independent Directors shall abide by code of conduct as per Schedule IV of the Act .

12.5 Directors' Vote

- a) The approval of the following matters shall require the affirmative vote or express consent of a majority of all the members of the Board of Directors present at the meeting;
 - i. approval of each scheme, project, development works, plans and projects;
 - ii. approval to floating tenders, administrative approval to technical sanction;
 - iii. sanction estimates and tenders; and
 - iv. investment of the Company's funds;
- v. the merger or consolidation of the Company with, or into, any other company or entity or any proposal permitting any other company to consolidate with or merge into the Company, or the dissolution, liquidation or declaration of voluntary insolvency of the Company, including its recapitalization or reorganization.
- vi. Establishment and approval of dividend policy and any declaration of dividends;
- vii. Incurring, creating or increasing bonded indebtedness and debt or loan facilities in excess of pre-approved limits;
- viii. Sale, lease, exchange, mortgage, pledge, encumbrance or other disposition or creation of any security on or investment of all or any material amount of the Company's assets, or any of the foregoing done outside the normal course of business;
- ix. Settlement of the terms and appointment of the Directors;
- x. Approval of the annual business plans, annual expense budget and capital expenditures budget of the Company or any material variation or deviation thereto;
- xi. The issuance by the Company of new Shares or rights to acquire new Shares and the redemption or purchase by Company of its common or preferred shares;
- xii. Formation of subsidiaries or joint ventures, where the Company is required to do so under the terms of any concession agreement;
- xiii. Prepare rules and policies for pension, retirement and other benefit of the Company's

- directors, officers and employees;
- xiv. Change of any material accounting policy or write-off of any substantial asset within a calendar year;
- xv. negotiation, execution and/or amendment of contracts with a Shareholder, and/or its subsidiaries or Affiliates, including the technical services agreements; and
- xvi. appointment, replacement or removal of the Company's external auditor(s);
- xvii. confirmation and acceptance of the Company's financial statements;
- xviii. the change in or setting up of the tariffs or prices for the services to be provided by the Company or the setting up of an independent tariff / pricing committee for this purpose.
- xix. Appointment of various officers of the Company for its proper management.

12.6 Board may fill up casual vacancies

- a) If any Director, appointed by the Company in General Meeting, vacates office as a Director before his term of office expires in the normal course, the resulting casual vacancy may be filled up by the Board at a meeting of the Board by appointment thereto of any other person but any person so appointed shall retain his office so long only as the vacating Director would have retained the same, if no such vacancy had occurred.
- b) If any causal vacancy has not been filled by the Board up to the date of the Annual General Meeting of the Company next following the arising of the vacancy, the same may by ordinary resolution of the members at such Annual General Meeting.
- c) Notwithstanding anything contained herein, where a causal vacancy is caused in the Office of any Nominee Director, such vacancy shall be filled with only with a person nominated by the Shareholder whose Nominee Director has vacated such office.

12.7 Additional Director :

Subject as aforesaid, the Board of Directors shall have the power at any time to appoint any other person or persons as a Director or Directors as an additional Director on the Board but so that the total number of directors shall not at any time exceed the maximum number fixed under these Articles. Any Director or Directors so appointed shall hold office only until the next following Annual General Meeting of the Company and shall then be eligible for re-election.

12.8 Appointment of an Alternate Director

The Board of Director of the Company may appoint an Alternate director to act for a Director (herein called "the Original Director") during his absence for a period of not less than three months from the

State in which the meetings of the Board are ordinarily held. An Alternate Director appointed under this Article shall not hold office for a period longer than that permissible to the Original Director in which place he has been appointed and shall

vacate office if and when the Original Director returns to that State. If the term of office of the Original Director is determined before he so returns to the State, any provision in the Act or in these presents for the automatic reappointment of retiring Directors in default of another appointment shall apply to the Original Director and not to the Alternate Director. If alternate director is appointed in the place of an Independent Director, such director shall also meet with criteria for independence as prescribed under the Act.

12.9 Chairperson

- a) The Chairperson of the Company will be decided by the State Government from time to time and the present Chairman of the company is Development Commissioner - cum -Additional Chief Secretary to Government of Odisha vide notification No. 4747 of H&UD Department dated 23rd February, 2016.
- b) The Chairperson can be removed from his position strictly in accordance with the provisions provided in the Act .
- c) The Chairperson shall hold the office for the period and on such terms and conditions as decided by the State Government and subject to conditions laid down under the Act.
- d) The office of the Chairperson and the Chief Executive Officer shall not be held by the same person.

12.10 Key Managerial Personnel: Subject to the provisions of Section 203 of the Act the company shall appoint the following Key Managerial Personnel:-

A) Chief Executive Officer

- i) Chief Executive officer of the Company will be appointed with the approval of the Central Government.
- ii) Chief Executive Officer will be appointed for a fixed term of 3 years and can be removed from his position only with prior approval of the Ministry of Urban Development, Government of India
- iii) The function of the Chief Executive Officer will include:
 - a. Overseeing and managing the general conduct of the day-to-day operations of the Company subject to the supervision and control of the Board.
 - iv) Entering into contracts or arrangements for and on behalf of the Company in all matters within the ordinary course of the Company's business.
 - v) To formulate and submit to the Board of Directors for approval, a Human Resource Policy that will lay down procedures for creation of staff positions, qualifications of staff, recruitment procedures, compensation and termination procedures.
 - vi) Recruitment and removal of the senior management of the Company and the creation of new positions in accordance with the Company's approved budget and the recruitment of increased number of employees in accordance with the Human Resource Policy approved by the Board.

- vii) Supervising the work of all employees and managers of the Company and the determination of their duties, responsibilities and authority.
 - viii) Any other work assigned by the Board relating of affairs of the Company
- B)** Chief Financial Officer to be appointed by the Board of Directors
- C)** Company Secretary to be appointed by the Board of Directors

12.11 Qualification Shares

The Directors (including Nominee Directors) shall not be required to hold any Shares or qualification shares.

12.12 When office of Director to be vacated

Subject to the provisions of these Articles and Section 167 of the Act, the office of a Director shall become vacant if;

- (i) He/she is found to be of unsound mind by a Court of competent jurisdiction; or
- (ii) He/she applies to be adjudicated as an insolvent; or
- (iii) is adjudged as an insolvent; or
- (iv) he/she fails to pay any call made on him in respect of shares of the Company held by him, whether alone or jointly with others, within six months from the last date fixed for the payment of the call, unless the Central Government has, by notification on the Official Gazette, removed the disqualification incurred by such failure; or
- (v) any office or place of profit under the Company or any subsidiary thereof is held by him/her in contravention of Section 188 of the Act, or
- (vi) he/she absents himself/herself from three consecutive meetings of the Board of Directors or from all meetings of the Board of Directors for a continuous period of three months, whichever is longer; or
- (vii) he/she becomes disqualified by an order of the Court under Section 203 of the Act; or
- (viii) he/she (whether by himself/herself or by any person for his/her benefit or on his account) or any firm in which he/she is a partner or any private company of which he/she is a director, accepts a loan, or any guarantee or security for a loan, from the Company in contravention of Section 185 of the Act; or
- (ix) he acts in contravention of Section 184 of the Act; or he/she is convicted by a court for any offence involving moral turpitude and sentenced in respect thereof to imprisonment for not less than six months; or he/she having been appointed as a Director by virtue of his/her holding any office or other employment in the Company ceases to hold such office or other employment in the Company.
- (x) Subject to the provisions of the Act, a Director may resign his/her office at any time by notice in writing addressed to the Company or to the Board of Directors.

12.13 Interested Directors not to participate or vote in Board's proceedings

- (i) No director shall, by virtue of his/her office as a Director, take any part in the discussion of, or vote on, any contract or arrangement entered into, or to be entered into, by or on behalf of the Company, if he/she is in any way, directly or indirectly, concerned or interested in the contract or arrangement nor shall his/her presence count for the purpose of forming a quorum at the time of any such discussions or vote; and if he/she does vote, his/her vote shall be void, provided that this prohibition shall not apply;
- (ii) To any contract of indemnity against any loss which the Directors or any one or more of them may suffer by reason of becoming or being sureties or a surety for the Company.
- (iii) Any contract or arrangement entered into or with a public company or a private company which is a subsidiary of a public company, in which the interest of the Director consists solely of (a) his being a director of such company and the holder of not more than shares of such number or value therein as is requisite to qualify him for appointment as a director thereof, he having been nominated as such director by the Company or (b) his being a member holding not more than two percent of its paid-up share capital.
- (iv) In case a notification is issued under Section 184 of the Act, to the extent specified in the notification.

12.14 Certain Powers to be exercised by Board of Directors only at meeting

- i. to make calls on shareholders in respect of money unpaid on their shares;
- ii. to authorize buy-back of securities under section 68;
- iii. to issue securities, including debentures, whether in or outside India;
- iv. to borrow monies;
- v. to invest the funds of the company;
- vi. to grant loans or give guarantee or provide security in respect of loans;
- vii. to approve financial statement and the Board's report;
- viii. to approve amalgamation, merger or reconstruction;
- ix. to take over a company or acquire a controlling or substantial stake in another Company;
- x. any other matter which may be prescribed:
- xi. Provided that the Board may, by a resolution passed at a meeting, delegate to any Committee of directors, the managing director, the manager or any other principal officer of the company or in the case of a branch office of the company, the principal officer of the branch office, the powers specified in clauses (iv) to (vi) on such conditions as it may specify:

- xii. Every resolution delegating the power in these presents shall, specify the total amount up to which loans may be made by the delegates, the purpose for which the loan(s) may be made, and each such purpose in individual cases;
- xiii. Nothing contained in this Article shall be deemed to affect the right of the Company, in General Meeting, to impose restrictions and conditions on the exercise by the Directors of any powers herein specified.

12.15 Committees of the Board

The Board shall have the power to constitute sub-committees and delegate to such sub-committee(s) the powers of the Board in respect of any matter relating to the governance of the Company. Subject to the Act and these presents, the Board shall constitute from amongst its members one or more committees which will have delegated responsibility for dealing with specified functions otherwise carried out by the Board and which the Board delegates to such committees, at the time of constitution thereof. Each committee shall determine the procedure to be followed for the discharge of its functions. Such committees shall include.

- (i) Audit Committee as per provisions of section 177 of the of the Companies Act, 2013.
- (ii) Finance Committee (for the approval of financing matters including any proposed amendments to the Financing Plan);
- (iii) Nomination and Remuneration Committee under Section 178 of the Act and clause 19 of SEBI (Listing obligations and disclosure requirements) Regulations 2015. The Nomination and Remuneration Committee will be consisting of three or more non-executive directors out of which not less than one-half shall be independent directors.
- (iv) Risk Management Committee under clause 21 of the SEBI (Listing obligations and disclosure requirements) Regulations 2015. The Board will define the roles and responsibilities of the Risk Management Committee and may delegate monitoring and reviewing of the risk management plan to the committee and such other functions as it may deem fit. The majority of committee may be members of the Board of Directors. Senior executives of the company may be members of the said committee, but the Chairman of the committee shall be a member of the Board of Directors.
- (v) Compensation Committee (to approve or propose remuneration and compensation of the senior management of the Company);
- (vi) Share Transfer and Allotment Committee (to approve allotment of Shares and any and all transfers thereof); and
- (vii) Project Management Committee for the purpose of supervising and monitoring the progress in implementation of the Project, as required by the Lenders.
- (viii) The meetings and proceedings of any Committee shall, save as herein provided, be governed by the provisions herein contained for regulating the meetings and proceedings of the Board, so far as the same are applicable thereto and are not superseded by any regulations made by the Board.

- (ix) All minutes of meetings of a committee along with actions taken pursuant thereto, shall be placed before the immediately subsequent Board Meeting.

12.16 Acts of Committee

All acts done by any Committee of the Board in conformity with the regulations made by the Board and in fulfillment of the purpose for which the Committee is appointed but not otherwise, shall have effect as if done by the Board.

12.17 Remuneration of Directors

The maximum remuneration of a Director for his services shall be such sum as may be prescribed by the Act or the Central Government from time to time for each meeting of the Board of Directors attended by him. The Director shall be paid such further remuneration as the Company in General Meeting may, from time to time, determine and such further remuneration shall be divided amongst the Directors in such proportion and manner as the Board of Directors may, from time to time, determine and in default of such determination, equality.

12.18 Removal of Directors

Subject to the provisions of Section 169 of the Act, the Company may remove any Director (other than a Representative of the Central Government) before the expiration of his period of office and appoint another person in his stead. The person so appointed shall hold office during such time as the Director in whose place he is appointed would have held, if he had not been removed.

12.19 Notice of candidature for Office of Director

- (i) Subject to the provisions of the Section 160 of the Act and these presents, any person who is not a retiring Director shall be eligible for appointment to the office of Director at any General Meeting if he or some member intending to propose him has, not less than fourteen days before the Meeting left at the office of the Company, a notice in writing under his hand signifying his candidature for that office, along with the deposit of one lakh rupees or such higher amount as may be prescribed which shall be refunded to such person or, as the case may be, to the member, if the person proposed gets elected as a director or gets more than twenty-five percent of total valid votes cast either on show of hands or on poll on such resolution.
- (ii) Every person (other than a Director retiring by rotation or otherwise or a person who has left at the office of the company notice under Section 160 signifying his candidature for the office of a Director) proposed as a candidate for the office of a Director shall sign, and write to the company, his consent in writing to act as a Director, if appointed, a person other than-Director re-appointed after retirement by rotation or immediately on the expiry his term of office; or an additional or alternate Director or a person filling a casual vacancy in the office of a Director under Section 266 of the Act, appointed as a Director or re-appointed as an additional or alternate Director, immediately on the expiry of his term of office; or person named as a Director of the Company under its Articles as first registered shall not act as a Director of the Company unless he has within 30 (thirty) days of his appointment signed and communicated to the Registrar his consent in writing to act as, such Director.

12.20 Acts of board or Committee valid not with-standing defective or appointment etc.

All acts done by any meeting of the Board or by a committee of the Board or by any person acting as Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or Committee person acting as aforesaid, or that they or any of them were or was disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these presents, be as valid as if every such person had been duly appointed and was qualified to be a Director and had not vacated office or his appointment had not been terminated; provided that nothing in this Article shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.

13 ROTATION OF DIRECTORS

13.1 Retirement of Directors by rotation

- i. Not less than two-thirds of the total number of Directors of the Company shall be persons whose period of office is liable to termination by retirement by rotation, and save as otherwise expressly provided in the Act and these Articles. and
- ii. The remaining Director(s) shall be appointed in accordance with the provisions of these Articles.
- iii. At the first Annual General Meeting of the Company held after the date of the general meeting at which the first directors are appointed and at every subsequent Annual General Meeting, one third of such of the directors for the time being are liable to retire by rotation or if their number is not three or a multiple of three, then the number nearest to one third, but not exceeding one third shall retire from office.
- iv. Independent Directors are not liable to retire by rotation

13.2 Ascertainment of Directors retiring by rotation and eligibility for reappointment

Subject to Sections 152(6) (d) of the Act, the Directors to retire by rotation under the foregoing Article at every Annual General Meeting shall be those who have been longest in the office since their last appointment but, as between persons who became Directors on the same day those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lot. A retiring Director shall retain office until the conclusion of the meeting at which his reappointment is decided or his successor is appointed. The retiring Director shall be eligible for re-appointment.

13.3 Company to appoint successors

Subject to the provisions of the Act, at the Annual General Meeting at which a Director retires in the manner aforesaid, the members present at the meeting may in accordance with their rights to appoint Directors hereunder, fill up the vacated office by electing the retiring Director or some other person thereto.

13.4 Provisions in default of appointment

If the place of the retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week at the same time and place, or if that day is a public holiday, till the succeeding day which is not a public holiday, at the same time and place. If at the adjourned meeting also, the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been re-appointed at the adjourned meeting, unless,

- i. At the meeting or at the previous meeting, a resolution for the re-appointment of such Director has been put to the meeting and lost; the retiring Director has, by a notice in writing addressed to the Company or its Board of Directors, expressed his unwillingness to be so re-appointed, he is not qualified or is disqualified for appointment, a resolution whether special or ordinary, is required for the appointment or reappointment by virtue of any provisions of the Act, the proviso to sub-section
- (2) of Section 162 of the Act is applicable.

14. BOARD MEETINGS

The Directors may meet together for the dispatch of business, adjourn and otherwise regulate their meeting and proceedings as they may think fit.

14.1 Frequency of Board Meetings

- i. The Board shall meet at such time and at such place as it shall deem necessary (whether in India or overseas), provided that at least one meeting of the Board shall be held every three months, unless all the Directors agree otherwise in writing.
- ii. At least 7 days' prior written notice (excluding the date of deemed receipt and the date of the meeting) by facsimile, (together with a confirmation by registered airmail, e-mail or facsimile, in the case of Directors resident outside the Republic of India) shall be given to all Directors, their alternates and their local attorneys in India (whose address shall have been notified in writing to the Company for convening a Board meeting); and such notice shall be accompanied by an agenda setting out in reasonable detail the matters to be discussed except that in the event that any Director, (acting reasonably and in good faith), deems that circumstances exist which require a meeting to be convened at shorter notice, in which case such Director may instruct the Secretary to call a meeting of the Board as aforesaid by giving less than 7 days' prior written notice of such meeting

14.2 Place of Board Meetings

Board Meetings will be held primarily at Bhubnaeswar, or at such other place as may be mutually decided upon by the Board of Directors. All Board Meetings shall be attended in person; provided that, if and when permitted by the Act, meetings may be attended by telephone conference call or video conferencing where each Director participating in the meeting can hear all other Directors participating in the meeting; provided that any vote at such telephonic Board Meeting shall be conducted by calling the name of each Director present and documenting the verbal response made

by such Director. Where any Director's telephonic connection is disconnected or substantially impaired, such affected Board Meeting shall be deemed to have been adjourned during such period of disconnection. At the conclusion of any such telephonic Board Meeting, each participant shall be requested to confirm orally that there has been no telephonic interference or disconnection and, provided all participating members confirm this, then no adjournment pursuant to this Article shall be deemed to have taken place.

14.3 Quorum

- i. No business shall be transacted at any Board meeting unless a quorum is present at the beginning of and throughout the meeting. The quorum for a meeting of the Board shall be one third of its total strength (any fraction contained in that one-third being rounded off as one) or two Directors, whichever is higher. In case of failure to hold a meeting on account of insufficient quorum, the meeting would stand adjourned till the same day at the same time the following week or some other later date and notice thereof would be given to all the Director. If at such adjourned meeting, a quorum is not present within one-half an hour of the time appointed for the meeting, then the Directors present shall constitute quorum and the business at such meeting shall be confined to the remaining items as specified in the agenda for such meeting and no general matter other than specific matters set out in the agenda may be decided at such meeting.
- ii. If a Board Meeting could not be held for want of quorum, the meeting shall automatically stand adjourned to the same day in the following week at the same time and place or if that day is not a Business Day, till the next day which is a Business Day at the same time and place or subject to notice being given to all Directors, to some other date, time or place. If at such adjourned meeting, the quorum is not present within one-half of an hour of the time appointed for the meeting, then at the adjourned meeting, one-third of the total strength (and if this results in a fraction, such fraction will be rounded off to the nearest whole number) of the Board or 2 (two) Director, whichever is higher, present at such adjourned meeting constitute the quorum.
- iii. All decision to be taken by the Board shall be duly and validly taken by resolution adopted by the affirmative vote of a majority of the Directors present at the meeting, whether by show of hands or by concurrence to a resolution in any other form.
- iv. Subject to the Act, any matter to be decided by the Board or Committee thereof may be decided by way of a circular resolution, where the draft resolution has been circulated to all Directors or as the case may be, all members of the Committee and the same has been consented to by a majority of the Directors or as the case may be, majority of the members of the Committee.

15 GENERAL MEETING

15.1 Annual or Ordinary General Meeting

- i. Subject to provision of Section 96 of the Act, the Company shall in each year hold in addition to any other meeting and shall specify the meeting as such in the notices calling it, and not more than fifteen months shall elapse between the date of one annual general meeting and that of next; Provided that in case of first annual general

meeting, it shall be held with a period of nine months from the date of closing of the first financial year of the company and in any other case, within a period of six months, from the date of closing of the financial year:

Provided further that if the first annual general meeting is held in the manner aforesaid, it shall not be necessary to hold any annual general meeting during the year of incorporation:

Provided also that the Registrar may, for any special reasons, extend the time within which any annual general meeting, other than the first annual general meeting, shall be held, by a period not exceeding three months.

- ii. Every Annual General Meeting shall be called for a time during business hours, that is between 9 a.m. to 6 p.m. on any day that is not a public holiday, and shall be held at the Registered Office of the Company or at some other place within the city, town or village in, which the Registered Office of the Company is situated.

15.2 Right to attend General Meeting

As per Secretarial Standard-II issued by Institute of Company Secretaries of India (ICSI) applicable w.e.f. 1st July, 2015, all directors of the Company should attend all meetings of shareholders. If any Director is unable to attend the meeting, the Chairman shall explain such absence at the meeting.

15.3 Convening of Extraordinary General Meeting

In accordance with the provisions of Section 100 of the Act, the Board may, whenever it deems fit, call an Extraordinary General Meeting and it shall do so upon a requisition in writing by any Member or Members holding in the aggregate not less than one-tenth of such of the paid-up capital as at that date carries the right of voting in regard to the matter in respect of which the requisition has been made.

15.4 Notice and Place for General Meeting

Any notice of a meeting of the Shareholders shall be served on each Shareholder, Director, Auditors, and Secretarial Auditor in writing at least twenty one (21) days before the date of such meeting unless otherwise agreed by all the Shareholders of the Company in the manner provided under Section 101 of the Act. The notice shall set out the agenda for the meeting to be convened and the texts of the resolutions proposed to be adopted at such meetings. No business shall be transacted at any meeting or a resolution passed on any matters except as was fairly disclosed in the notice convening the meeting.

15.5 Contents of notice

Every notice of a meeting of the Company shall specify the place, the date and hour of the meeting and shall contain a statement of the business to be transacted thereat. No General Meeting, Annual or extraordinary shall be competent to enter upon, discuss or transact any business, which has not been specifically mentioned in the notice, or notices upon which it was convened. In accordance with the provisions of Section 102 of Act

- i. A statement setting out the following material facts concerning each item of special business to be transacted at general meeting, shall be annexed to the notice calling such meeting, namely:
 - a) The nature of concern or interest, financial or otherwise, if any, in respect of each item-
 - Every director and the manager, if any;
 - Every other key managerial personnel; and
 - Relatives of the persons mentioned in above sub-clauses
 - b) Any other information and facts that may enable members to understand the meaning, scope and implications of the items of business and to take decision thereon.
- ii. For the purpose of sub-section 1,
 - a) In the case of annual general meeting, all business to be transacted there as shall be deemed special, other than-
 - The consideration of financial statements and the reports of the Board of Directors and auditors;
 - The declaration of any dividend;
 - The appointment of directors in place of those retiring;
 - The appointment of and fixing of the remunerations of, the auditors; and
 - In the case of any other meeting, all business shall be deemed special

15.6 Notice to be given to the Auditors

Notice of every meeting of the Company shall be given to the Auditor or Auditors for the time being of the Company, in the manner provided in Section 101 of the Act.

15.7 Omission to give Notice not to invalidate Meeting

The accidental omission to give notice of any meeting to or the non-receipt of any notice by any member or other person, to whom it should be given, shall not invalidate the proceedings at the meeting.

15.8 Quorum

A quorum at least five (5) members personally present if the number of members as on the date of meeting is not more than one thousand subject to conditions laid down in Section 103 of the Act. In default of quorum within an hour of the appointed time, meeting shall stand adjourned to the following week at the same time and place and in default of a quorum within an hour of the appointed time at the adjourned meeting, any duly authorized representatives of the Shareholders present, whether in person or proxy, shall constitute quorum.

15.9 Chairperson

The Chairperson of the Board shall be the Chairperson of every General Meeting.

15.10 How questions to be decided at meetings

Every question submitted to a General Meeting shall be decided in the first instance on a show of hands. Unless a poll is demanded, a resolution put to vote at a meeting shall be decided on a show of hands.

15.11 Demand for poll

Before or on the declaration of the result of the voting on any resolution on a show of hands, a poll may be ordered to be taken by the Chairperson of the meeting of his own motion, and shall be ordered to be taken by him on a demand made in that behalf by members present in person or by proxy, where allowed, and having not less than one-tenth of the total voting power or holding shares on which an aggregate sum of not less than five lakh rupees or such higher amount as may be prescribed has been paid up subject to provisions of Section 109 of the Act.

15.12 Time of taking poll

Any poll duly demanded on the question of adjournment shall be taken forthwith. A poll demanded on any other question, not being a question relating to the election of a Chairperson, shall be taken at such time not exceeding 48 hours from the time when the demand was made, as the Chairperson may direct.

15.13 Power to adjourn General Meeting

The Chairperson of a General Meeting, may with the consent of the meeting adjourn the same from time to time and from place, but no business shall be transacted at any adjourned meeting other than business left unfinished at the meeting from which the adjournment took place.

15.14 Business may proceed notwithstanding standing

The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.

15.15 Scrutineers Poll

- i. Where a poll is to be taken, the Chairperson of the meeting shall appoint two scrutineers to scrutinize the votes given on the poll and to report thereon to him.
- ii. The Chairperson shall have power, at anytime before the result of the poll is declared, to remove a scrutinizer from the office and to fill vacancies in the office of scrutinizer arising from such removal or from any other cause whatsoever.
- iii. Of the two scrutinizers, one shall always be a member (not being an officer or employee of the Company) present at the meeting, provided such a member is available and willing to be appointed.

15.16 Manner of taking poll and result thereof

The Chairperson of the meeting shall have power to regulate the manner in which a poll shall be taken. The result of the poll shall be deemed to be decision of the meeting on the resolution, on which the poll was taken.

15.17 Chairperson to be the sole judge of the validity of the vote tendered at meeting and at poll.

The Chairperson of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairperson present at the taking of all polls shall be the sole judge of the validity of every vote tendered at such poll.

15.18 Right of member to use his vote

On a poll taken at a meeting of the Company, a member entitled to more than one vote, or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same ways all the votes he uses.

15.19 Resolution passed at adjourned meeting

Where a resolution is passed at an adjourned meeting of the Company, the resolution shall, for all purpose, be treated as having been passed on the date on which it was in fact passed and shall not be deemed to have been passed on any earlier date.

16 MINUTES

16.1 Minutes

The Draft minutes of the Board meeting should be circulated within 15 days from the date of conclusion of the Board meeting to all the Board Members for their comments. The board members shall have to communicate their comments within 07 (seven) days from the date of circulation of the draft minutes.

The Company shall cause minutes of all proceedings of every General Meeting and of all proceedings of every meeting of its Board of Directors or of every Committee of the Board to be entered in a book kept for this purpose in the manner, prescribed under the Act. The minutes shall truly reflect the proceedings of every General Meeting and of all proceedings of every meeting of its Board of Directors or of every Committee of the Board, including details regarding voting by each Director/Member for or against a resolution.

16.2 Minutes to be evidence

Any such minutes, if purporting to be signed by the Chairperson of the Meeting at which the proceedings take place or by the Chairperson of the next succeeding meeting, shall be evidence of the proceedings.

16.3 Presumption to be drawn where minutes duly drawn are signed

Where minutes of the proceedings of any General Meeting of the Company or of any meeting of the Board or of a Committee of the Directors have been made and duly drawn are signed in accordance with the provisions of these presents and the Act,

then until the contrary is proved, the Meeting shall be deemed to have been duly called and held and all proceedings thereat to have been duly taken place and in particular all appointments of Directors or liquidators made at the meeting shall be deemed to be valid.

16.4 Inspection of minute Books of General Meetings

The books containing the aforesaid minutes shall be kept at the Registered Office of the Company, with certified true copies being kept at its corporate office, in the event its corporate office is located in a city different from its registered office, and be open for the inspection of any member without charge, as provided in Section 196 of the Act. Any member shall be furnished with a copy of any minutes in accordance with the terms of that Section.

17 VOTING RIGHTS

17.1 Votes of members

Every member, who being an individual, is present in person, or being a Corporation, is present by a representative, shall have one vote on a show of hands. Every member, who being an individual, is present in person or by a proxy or by attorney duly authorized under power of attorney, or being a Corporation is present by a representative or his proxy shall, on a poll, have voting right in proportion to his share of the paid up equity capital of the Company.

17.2 No voting by Proxy on show of hands

No member, not personally present, shall be entitled to vote on a show of hands unless such member is present by attorney duly authorized under power of attorney or unless such member is a body corporate present by a representative. The attorney or representative mentioned in this Article may vote on a show of hands as if he were a member of the Company.

17.3 Votes may be given by proxy or attorney

Subject to the provisions of the Act and these presents, votes may be given personally or by attorney duly authorized under power of attorney or by proxy or in case of a body corporate also by a representative duly authorized under Section 113 of the Act or by proxy of such representative of the body corporate.

17.4 Instrument appointing proxy

The instrument appointing a proxy shall be in writing, under the hand of the appointer or his attorney duly authorized in writing or, if such appointer is a corporation, under its common seal or the hand of an officer or an attorney duly authorized by it. A person may be appointed a proxy through he is not a member of the Company, but such proxy shall not have any right to speak at any meeting.

17.5 Member's rights to appoint Proxy to be stated in notice.

Every notice convening a meeting of the Company shall state that a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend, who need not be a member of the Company.

17.6 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 naturally certified copy of that power of authority shall be deposited at the Registered Office of the Company not less than forty-eight hours before the time for holding the meeting, at which the person named in the instrument propose to vote in case of a poll and in default, the instrument of proxy shall not be treated as valid.

17.7 When vote by proxy valid, through authority revoked

A vote in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death of the principal or revocation of the proxy or transfer of the share in respect of which the vote is given, provided no intimation in writing of the death, revocation or transfer shall have been received at the office of the Company or by the chairperson of the meeting before the vote is given.

17.8 Form of proxy

Every instrument of proxy, whether for a specified meeting or otherwise shall, as nearly as circumstances will admit, be in the form specified in Schedule IX of the Act.

17.9 Time and place to inspect the proxies lodged

Every member entitled to vote at a meeting of the Company according to the provisions of these presents on any resolution to be moved thereat, shall be entitled during the period beginning twenty-four hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged, at any time during the business hours of the Company provided, not less than three days' notice in writing of the intention so to inspect is given to the Company.

17.10 No member entitled to vote etc. while call due to Company

No member shall be entitled to vote, either personally or by proxy, at any General Meeting of a class of shareholders either upon a show of hands or on poll in respect of any shares registered in his name, on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised any right of lien.

18 THE SEAL

18.1 The Seal, its custody and use-

The Board of Directors shall provide a Seal for the purpose of the Company and shall have power, from time to time, to destroy the same and substitute a new Seal in lieu thereof and, shall provide for the safe custody of the Seal for the time being and, the Seal shall never be used except under the authority of the Board of Directors or a Committee of the Directors previously given. Every deed or other instrument to

which the Seal of the Company is affixed shall be signed by at least one Director or such other officer of the Company as may be authorized in that behalf by the Board of Directors or Committee of Directors; provided nevertheless, that certificates of shares may be under the signatures of such persons as provided by the Companies (Issue of Share Certificates) Rules in force, from time to time. Save as otherwise expressly provided by the Act, a document requiring authentication by the Company may be signed by a Director, or the Secretary or any other officer authorized in that behalf by the Board and need not be under its Seal.

19 REGISTERS

19.1 Registers

The Company shall keep and maintain Registers as required by the Act including the following Registers;

- (i) Register of investments made by the Company, but not held in its own name, as required by section 187(3) of the Act and shall keep it open for inspection of any member or debenture holder of the Company without charge.
- (ii) Register of charges as required by Section 85 of the Act and shall keep it open for inspection of any creditor or member of the Company without fee, and person on payment of a fee of Rs. 10/- for each inspection.
- (iii) Register of Members under Section 88 of the Act and shall keep the same open for inspection of any member or debenture holder without fee and of any other person, on payment of a fee of Rs. 10/- for each inspection except when the Register is closed.
- (iv) Register of Debenture Holders under Section 88 of the Act and shall keep it open for inspection of any member or debenture holder without fee and for any other person on payment of a fee of Rs. 10/- for each inspection except when the Register is closed.
- (v) Register of Contracts in which Directors are interested, as required by Section 189 and shall keep it open for inspection of any member without fee.
- (vi) Register of Directors and Secretary, as required by Section 170 of the Act and shall keep it open for inspection of any member of the Company without charge and of any other person on payment of a fee of Rs. 1/- for each inspection.
- (vii) Register of Key Managerial Personnel (KMP) under Section 203 and Attendance Register.
- (viii) Registers as to the Holdings by Directors of shares and debentures in the Company as required by Section 170 of the Act and shall keep it open for inspection of any member or debenture holder of the Company on any working day, during the period beginning 14 (fourteen) days before the date of the Company's Annual General Meeting and ending 3 (three) days after the date of its conclusion.
- (ix) (ix) Register of investments in shares or debentures of bodies corporate according to Section 186 of the Act.
- (x) Books of Account in accordance with the provisions of Section 129 of the Act.

- (xi) Copy of instruments creating any charge requiring registration, according to Section 85 of the Act.
- (xii) Copies of Annual Returns prepared under Section 92 of the Act together with the copies of certificates and documents required to be annexed thereto under Section 92 of the Act.
- (xiii) Register of Renewed and Duplicates according to Companies(Share Capital and Debentures) Rules 2014
- (xiv) Other statutory registers as prescribed under the Act.
- (xv) Copies of entries in the above Registers shall be furnished to the persons entitled to the same on payment of one Rupee for every hundred words or Fractional part thereof required to be copied. The Company shall give inspection of the above Registers to the persons entitled to the same on any working day between the hours of 3 p.m. and 5 p.m. except Saturday. The Company shall in addition to keeping and maintaining the above Registers at its Registered Office, keep and maintain certified true copies of the above Registers at its corporate office, in the event its corporate office is located in a city different from its Registered Office.

20 DIVIDENDS

20.1 Dividends

- i. The Shareholder shall procure that the Board in making any decision in relation to the declaration of dividends and the appropriation of surplus shall consider the following factors :
 - (i) the maintenance of prudent and proper reserves including allowance for future working capital, provisions for tax, and other restrictions required by local law;
 - (ii) the due and prudent provisions for all actual and carried forward losses of the Company;
 - (iii) the due and prudent provision for the payment of all indebtedness , borrowings and loans owed by the Company to the Shareholders or to banks and financial institutions as unsecured creditors; and
 - (iv) any other factors which the Shareholders may agree to be taken into account.
- ii. The Shareholders shall procure any dividend recommended by the Board to be approved by the Shareholders and distributed by the Company not later than 30 (thirty) days of such approval at a General Meeting. The right to dividends will vest on the date of the General Meeting approving such dividends and dividends will be paid on each Share, which was registered with the Company on the record date. The record date for determining entitlement to any such dividend shall be a date 30 days prior to the date of the General Meeting to recommend such dividend.

20.2 Dividends on Capital paid up in advance and carrying interest

Provided that where capital is paid up on any shares in advance of calls upon the footing that the same shall carry interest, such capital shall not whilst carrying

interest, confer a right to participate in profit.

20.3 Dividends only to be paid out of profits

No dividend shall be payable except out of the profits of the year or any other undistributed profits excepts as provided by section 123 of the Act.

20.4 Dividend in proportion to amount paid up

All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid, but if any share is issued on terms providing that it shall rank for dividends as from a particular date, such share shall rank for dividend accordingly.

20.5 Interim dividends

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

20.6 Debts may be deducted

The Directors may retain any dividends payable on shares on which the Company has a lien, and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.

20.7 Dividend and call together set off allowed

Any general meeting declaring a dividend may make a call on the members of such amount as the meeting fixes, but so that the call on each member shall not exceed the dividend payable to him, and so that the call can be made payable at the same time as the dividend and the dividend may, if so arranged between the Company and the member, be set off against the call. The making of a call under this Article shall be deemed ordinary business of an Annual General Meeting which declares a dividend.

20.8 Effect of transfer

A transfer of shares shall not pass the right to any dividend declared thereon, after such transfer but before the registration of the transfer.

20.9 Retention in certain cases

The Directors may retain the dividends payable upon shares in respect of which any person is, under the Transmission Clause, entitled to become a member or which any person under that Article is entitled to transfer until such person shall become a member in respect of such shares or shall duly transfer the same.

20.10 No member to receive dividend whilst indebted to the Company and the right to reimbursement there out

No member shall be entitled to receive payment of any interest or dividend in respect of his share or shares, whilst any money may be due from him, either alone or jointly

with any other person or persons and the Director may deduct from the interest or dividend payable to any such member, all sums of money so due from him to the Company.

20.11 Dividend to joint holders

Any one of several persons who are registered as the joint holders of any share, may give effectual receipts for all dividends and payments on account of dividends, in respect of such shares.

20.12 Payment of dividend

- (i) Unless otherwise directed, any dividend may be paid through electronic mode or by cheque or warrant sent through the post to the registered address of the member or person entitled or, in the case of joint holders, to the registered address of that one whose name stands first on the Register, in respect of the joint holding; and every cheque or warrant so sent shall be made payable to the order of the person to whom it is sent. Several executors or administrators of a deceased member in whose sole name any share stands, shall for the purpose of this Article be deemed to be joint holders thereof. The Company shall not be responsible or liable for any cheque or warrant lost in transit or for any dividend lost by the member or person entitled thereto by the forged endorsement of any cheque or warrant or the fraudulent recovery thereof by any other means.
- (ii) The Company shall pay the dividend or send the warrant in respect thereof to the shareholder entitled to the payment of the dividend, within 30 (thirty) days from the date of the declaration of the dividend unless; Where the dividend could not be paid by reason of the operation of any law. Where a shareholder has given directions regarding the payment of dividend and those directions cannot be complied with
- (iii) Where there is a dispute regarding the right to receive the dividend.
- (iv) Where the dividend has been lawfully adjusted by the Company against any sum due to it from the shareholders; or
- (v) Where for any other reason, the failure to pay the dividend or to post the warrant within, the period aforesaid was not due to any default on the part of the company.

20.13 Unclaimed Dividend

- (i) If the Company has declared a dividend, but which has not been paid within 30 (thirty) days from the date of declaration to any shareholder entitled to the payment of the dividend, the Company shall within 7 (seven) days from the date of expiry of the said period of 30 (thirty) days, open a special account in that behalf in any scheduled bank and deposit the amount of such unclaimed dividend in the said account.
- (ii) Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven (7) years from the date of such transfer, shall be transferred by the Company to the Investors Education and Protection Fund established by the Central Government; a claim of any money so transferred to the general revenue account may be preferred to the Central

Government by the shareholders to whom the money is due. No unclaimed dividend shall be forfeited till the claim thereto becomes barred by law.

21 RESERVE AND DEPRECIATION FUNDS

The Company may raise additional finance to the extent permitted by law including but not limited to by means of (i) a depreciation fund, (ii) loans and subsidies, (iii) by way of deposits ;

Such additional funds may be utilized by the Company for such purpose that the Board deems fit but subject to conditions laid down in the objectives of the Company under Memorandum of Association.

21.1 Reserve Fund

The Directors may, from time to time, before recommending any dividend, set apart any and such portion of the profits of the Company as they think fit, as a Reserve fund, to meet contingencies or for the liquidation of any debentures, debts or other liabilities of the Company, for equalization of dividends or for repairing, improving and maintaining any of the property of the Company and for such other purpose of the Company as the Directors, in their absolute discretion, think conducive to the interest of the Company. The Directors may invest the several sums so set aside upon such investment, other than shares of the Company, as they may think fit and, from time to time, to deal with such investments and dispose of all or any part thereof for the benefit of the Company. The Directors may divide the Reserve Fund into such special funds as they think fit, with full power to transfer the whole or any portion of a Reserve Fund to another Reserve Fund or a division of a Reserve Fund and also with full power to employ the Reserve Funds or any part thereof in the business of the Company, separate from the other assets and without being bound to pay interest on the same. However the Board may, in their discretion, pay or allow to the credit of such funds, interest, at such rate as the Board may, think proper.

21.2 Depreciation Fund

The Directors may, from time to time, before recommending any dividend, set apart any such portion of the profits of the Company, as they think fit, as a depreciation fund applicable at the discretion of the Directors, for providing against any depreciation in the property and investments of the Company, destroyed or damaged by fire, flood, storm, tempest, earthquake, accident, riot, wear and tear or any other means whatsoever and for repairing, altering and keeping in good condition, the property of the Company or for extending and enlarging the building, machinery and property of the Company, applicable subject that the dividend and such moneys and all the other moneys of the Company may be invested by the Directors in or upon such investments or securities as they may select or may be used as working capital or may be kept at any bank on deposit or otherwise as the Directors may from time think proper.

21.3 Investment of moneys

All moneys carried to any reserve fund and depreciation fund respectively shall, nevertheless remain and be profits of the Company applicable, subject to due provisions being made for actual loss or depreciation, for payment of dividend, and

such moneys and all the other moneys of the Company may be invested by the Directors in or upon such investments or securities as they may select, or may be used as working capital, or may be kept at any bank on deposit, or otherwise, as the Directors may, from time to time, think proper.

22. CAPITALISATION

Subject to the provisions of Section 63 of the Act, the company in general meeting may on the recommendation of the Board, resolve that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the company's reserve account or to the credit of the profit and loss account or otherwise available for distribution. The board shall give effect to resolution passed by the company in general meeting in pursuance of the article.

23. ACCOUNTS AND AUDIT

23.1 Audit Committee

Board of Company will constitute an Audit Committee in pursuance to Section 177 of the Act and the Audit Committee shall consist of minimum three directors with Independent Directors forming a majority. The audit committee shall act in accordance with terms of reference specified in writing by the Board which shall inter alia include:

- The recommendations for appointment , remuneration and terms of appointment of auditors of the company;
- Review and monitor the auditor's independence and performance and effectiveness of audit process;
- Examination of the financial statement and the auditor's report thereon;
- Approval or any subsequent modification of transactions of the company with related parties.
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings of assets of the company, wherever it is necessary
- Evaluation of internal financial controls and risk management systems.
- Monitoring the end use of funds raised through public offers and related matters.

Besides above, the audit committee will perform all other functions prescribed under Section 177 of the Act.

23.2 Books where to be kept

The books of account and other books and paper shall be kept at the Registered Office of the Company or at such other place or places as the Board of Directors think fit and shall be open to inspection by any Directors or any person authorized under the Act during business hours.

23.3 Books of Account to be preserved

The books of account of the Company relating to a period of not less than eight years immediately preceding the current year, together with the vouchers relevant to any entry in such books of account, shall be preserved in good order. The Board of Directors shall, from time to time, determine whether, and to what extent, and at what times and places and under what conditions or regulations, the accounts and books and documents of the Company, or any of them shall be open to inspection of the members, and no member (not being a Director) shall have any right of inspecting any account or book or document of the Company, except as conferred by statute or authorized by the Board of Directors or by a resolution of the Company in the General Meeting.

23.4 Statement of Account to be furnished to General Meeting

The Board of Directors shall lay before each Annual General Meeting a Profit and Loss Account for the financial year of the Company and a Balance Sheet made up as at the end of the financial year which shall be a date which shall not precede the day of the meeting by more than 6 (six) months, or where an extension of time has been granted by the Registrar of Companies under the provisions of the Act, till the date of such extension.

23.5 Balance Sheet and Profit and Loss Account

- (i) Subject to the provisions of Section 129 of the Act, every Balance Sheet and Profit and Loss Account of the Company shall be in the forms set out in parts I and II respectively of Schedule III of the Act, or as near thereto as circumstances admit or in such other form as may be approved by the Central Government.
- (ii) So long as the Company is a holding Company having a subsidiary, the Company shall conform to Section 129 and other applicable provisions of the Act.
- (iii) If in the opinion of the Board, any of the current assets of the Company do not have a value on realization in the ordinary course of business, which is at least equal to the amount at which they are stated, the fact that the Board is of that opinion, shall be stated.

23.6 Authentication of Balance Sheet and Profit and Loss Account

- (i) Every Balance Sheet and every Profit and Loss Account of the Company shall be signed on behalf of the Board of Directors, by the Secretary, and by not less than 2 (two) Directors of the Board of Directors.
- (ii) Provided that, when only one Director is, for the time being, in India, the Balance Sheet and Profit and Loss Account shall be attached to a statement signed by him explaining the reason of non-compliance with the provisions of Clause (i) above.
- (iii) The Balance Sheet and the Profit and Loss Account shall be approved by the Board of Directors before they are signed on behalf of the Board, in accordance with the provisions of this Article and before they are submitted to the Auditors for their

report thereon.

23.7 Profit and Loss Account, to be annexed and Auditor's Report to be attached to the Balance Sheet

The Profit and Loss Account shall be annexed to the Balance Sheet and the Auditor's Report, (including the Auditor's separate, special or supplementary report, if any) shall be attached thereto.

23.8 Board's Report to be attached to Balance Sheet

- (i) Every Balance Sheet laid before the Company in General Meeting shall have attached to it, a Report by the Board of Directors with respect to the state of the Company's affairs, the amounts, if any, which it propose to carry to any Reserve in such Balance Sheet and the amount, if any, which it recommends to be paid by way of dividend, and material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company for which the Balance Sheet has been drawn and the date of the Report.
- (ii) The Report shall, so far as it is material for the appreciation of the state of the Company's affairs by its members, and will not be harmful to the business of the Company or of any of its subsidiaries, deal with any changes which have occurred during the financial year in the nature of the Company's business, in the Company's subsidiaries or in the nature of the business carried on by them and generally in the classes of business in which the Company has an interest.
- (iii) The Board shall also give the fullest information and explanations in its report, or in cases falling under the proviso to the Section 129 of the Act, in an addendum to that report, on every reservation, qualification or adverse remark contained in Auditor's Report.
- (iv) The Board's Report and addendum, if any, thereto shall be signed by its Chairperson if he is authorized in that behalf by the Board; and where he is not so authorized, shall be signed by such number of Directors as are required to sign the Balance Sheet and the Profit and Loss Account of the Company by virtue of Article 23.6.
- (v) The Board shall have the right to charge any person with the duty of seeing that the provisions of Clauses (i) to (iii) of this Article are complied with. Such person need not be a Director.

23.9 Accounts to be audited

- (i) Every Balance Sheet and Profit and Loss Account shall be audited by one or more Auditors to be appointed as hereinafter mentioned.
- (ii) An annual audit of the books of account, records and affairs of the Company shall be made for each Financial Year as soon as practicable, but no later than 180 (one hundred and eighty) days, following the close of such Financial Year, The Company shall submit to the Board and each of the Shareholders the accounts in respect of each Financial Year.

23.10 Auditors

The Company, at the Annual General Meeting in each year, shall appoint an Auditor or Auditors to hold office from the conclusion of that meeting until the conclusion of the next Annual General Meeting and shall comply with the provisions of Sections 139 and other applicable provisions in regard thereto. Subject to provision of the Act, the company can resolve to provide that in the audit firm appointed by it, the auditing partner and his team shall be rotated at such intervals as may be resolved and the audit shall be conducted by more than one auditor.

23.11 Remuneration of Auditors

The remuneration of the Auditors of the Company shall be fixed by the Company in General Meeting, except that the remuneration of the Auditors appointed to fill any causal vacancy, may be fixed by the Directors in accordance with provision of Section 142 of the Act.

23.12 Powers and duties of Auditors

The Powers and duties of the Auditors of the Company shall be laid down in Section 143 of the Act.

23.13 Audit of Branch Offices

The Company shall comply with the provisions of Section 143 of the Act in relation to the audit of the accounts of branch offices of the Company, except to the extent to which any exemption may be granted by the Central Government in that behalf. A secretarial audit shall also be conducted under provisions of section 143 and 204 of the Act.

23.14 Reading and inspection of Auditor's Report

The Auditor's Report shall be read before the Company in General Meeting and shall be open to inspection by any member of the Company.

23.15 Service of documents on members by Company

- (a)** A document (which shall, for this purpose, be deemed to include any summons, requisition, process, order, judgement, or any other document in relation to the winding up of the company) or notice may be served by the Company on any member thereof, either personally or by sending by post or e-mode, to him, at his registered address, if any, within India or abroad supplied by him to the Company for giving of notices to him.
- (b)** Where a document or notice is sent by post:-
 - (i)** service thereof shall be deemed to be effected by properly addressing, preparing and posting a letter containing the document or the notice, provided that, where a member has intimated the Company in advance, that documents should be sent to him under a certificate of posting or by registered post, with or without acknowledgement due, and has deposited with the Company, a sum sufficient to defray the expenses of doing so, service of the document or notice shall not be deemed to be effected unless it is sent in the manner intimated by the member, and

- (ii) such service shall be deemed to have been effected; in the case of a notice of a meeting, at the expiration of seventy two hours after the letter containing the same is posted; and in any other case, at the time at which the letter would be delivered in the ordinary course of post.
- (c) A document or notice may be served by the Company on the joint holders of a share, by serving it on the joint holder named first in the Register in respect of the share.
- (d) A document or notice may be served by the Company on the persons entitled to a share, in consequence of the death or insolvency of a member, by sending it through post in prepaid letter addressed to them by name, or by the title of representatives of the deceased or assigns of the insolvent or by any like representatives of the deceased or assigns 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 serving the document or notice in any manner in which it might have been served if the death or insolvency had not occurred.
- (e) The signature to any document or notice to be given by the Company, may be written or printed or lithographed.

23.16 By Advertisement

A document or notice advertised in a newspaper circulating in the neighbourhood of the Registrar Office of the Company shall be deemed to be duly served or sent on the day on which the advertisement appears, on every Member who has no registered address in India and has not supplied to the Company an address within India for the serving of documents on or the sending of notices to him.

23.17 Service of Documents on personal Representatives, etc.

A document or notice may be served or given by the Company on or to the persons entitled to a share in consequence of the death or insolvency of a Member by sending it through the post in prepaid letter addressed to them by name or by the title of representatives of the deceased, or assignee of the insolvent or by any like description, at the address (if any) in India supplied for the purpose by the persons claiming to be entitled, or until such an address has been so supplied by serving the document or notice in any manner in which the same might have been given if the death or insolvency had not occurred.

23.18 Service of document on company

A document may be served on the Company, or an officer thereof, by sending it to the Company or officer, at the Registered Office of the Company by post, under a certificate of posting or by registered post with a copy sent to the Company at its corporate office or by leaving it at its Registered Office or corporate office.

24 INDEMNITY

Subject to the provisions of Section 201 of the Act, every Director, Chairperson, Officer or Servant of the Company shall be indemnified by the Company against, and it shall be the duty of Directors, out of the funds of the Company, to pay all costs, charges, losses and expenses which any such officer or servant may incur or become

liable to, by reason of any contract entered into, or acts done by him as such officer or servant or during the discharge of his duties, including expenses and, in particular, and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him as such Director, Chairperson, Officer or servant in defending any proceedings, whether civil or criminal in which judgment is given in his favour or he is acquitted or in connection with any application under Section 633 of the Act in which relief is granted by the Court, and the amount, if any, shall be treated as a lien on the property of the Company.

25 WINDING UP

25.1 Distribution of assets

If the Company shall be wound up, and the assets available for distribution among the members as such shall be insufficient to repay the whole of the paid up capital, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the members in proportion to the capital paid up, or which ought to have been paid up, at the commencement of the winding up, on the shares held by them respectively. And if in a winding up, the assets available for distribution among the members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed amongst the members in proportion to the capital, at the commencement of the winding up, paid up or which ought to have been paid up on the shares held by them respectively. But this Article is to be construed and applied without prejudice to the rights of the holder of shares issued upon special terms and conditions.

25.2 Distribution in specie or kind

- i. If the Company shall be wound up, whether voluntarily or otherwise, the liquidators may, with the sanction of a special resolution, divide amongst the contributories, in specie or kind, any part of the assets of the Company and may, with like sanction, vest any part of the assets of the Company in Trustees, upon such trusts for the benefit of the contributories, or any of them, as the liquidators, with the like sanction, shall think fit.
- ii. If through expedient, any such division may, subject to the provisions of the Act, be otherwise than in accordance with the legal rights of the contributories, (except where unalterably fixed by the Memorandum of Association) and in particular, any class may be given preferential or special rights or may be exclude altogether or in part but in case any division otherwise than in accordance with the legal rights of the contributories shall be determined on, any contributory who would be prejudiced thereby, shall have a right to dissent and ancillary rights, as if such determination were a special resolution passed pursuant to Section 494 of the Act.
- iii. In case any shares to be divided as aforesaid, involve a liability to calls or otherwise, any person entitled under such division to any of the said shares may, within ten days after the passing of the special resolution, by notice in writing, direct the liquidators to sell his proportion and pay him the net proceeds and the liquidators shall, if practicable, act accordingly.

25.3 Rights of shareholders in case of sale

Special resolution sanctioning a sale to any other Company, duly passed pursuant to Section 494 of the Act, may subject to the provisions of the Act, in like manner as aforesaid, determine that any shares or other consideration receivable by the liquidators be distributed amongst the members, otherwise than in accordance with their existing rights and any such determination shall be binding upon all the members subject to the rights of dissent and consequential rights conferred by the said Section.

26

SECRECY CLAUSE

Every Director, Manager, Secretary, Auditor, Treasurer, Trustee, member of a committee, officer, servant, agent, accountant or any other person employed in the business of the Company shall, if so required by the Directors, before entering upon his duties, sign a declaration pledging himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained.

- (i) No member shall be entitled to visit or inspect any works of the Company without the permission of the Directors or to require discovery of or any information respecting any details of the Company's trading, or any matter which is or may be in the nature of a trade secret, mystery of trade, secret process or any other matter which may relate to the conduct of the business of the Company and which in the opinion of the Directors, it would be inexpedient in the interest of the Company to disclose.

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

Sl.	Name, address, description	No. of	Signature of	Name, address
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No	and occupation of the Subscribers	Shares taken	Subscribers	description and occupation of the Witness
1.	<p>Governor of Odisha through Housing & Urban Development Department, Govt. of Odisha.</p> <p><i>Represented by</i></p> <p>Shri Govindarajan Mathivathanan Commissioner-Cum-Secretary to Government of Odisha, Housing & Urban Development Department S/o. Kumarasamy Govindarajan Type 5R-5, Unit-I, Bhubaneswar, Odisha- 751001 DOB - 03.01.1966 Occ - Government Service</p>	1,12,49,997 (One Crore Twelve Lakh Forty Nine Thousand Nine Hundred Ninety Seven	Sd/- Shri Govindarajan Mathivathanan Commissioner-cum-Secretary to Govt. Housing & Urban Development Deptt.	<p>I have witnessed the subscriber who have subscribed and signed in my presence on 3rd March, 2016, Further I have verified their identity details for their identification and satisfied myself of their identification particulars as filled it.</p> <p>Sd/-</p> <p>CS Saroj Kumar Ray, FCS Saroj Ray & Associates Company Secretaries N6/215, IRC Village, Ground Floor, Bhubaneswar-751015 Occupation -Practising Company Secretaries.</p>
2.	<p>Bhubaneswar Development Authority , Akash Shova Building, Sachivalaya Marg, Bhubaneswar-751001</p> <p><i>Represented by</i></p> <p>Shri Krishan Kumar S/o. Laxman Dass B-5/10, Unit- 9, Bhubaneswar, Khurda, Odisha -751022 Occ - Government Service DOB- 04.09.1976</p>	24,99,999 (Twenty Four Lacs Ninety Nine Thousand Nine Hundred Ninety Nine)	Sd/- Shri Krishan Kumar Vice-Chairman Bhubaneswar Dev. Authority Bhubaneswar	<p>I witness to subscriber who have subscribed and signed in my presence on 3rd March, 2016, Further I have verified their identity details for their identification and satisfied myself of their identification particulars as filled it.</p> <p>Sd/-</p> <p>CS Saroj Kumar Ray, FCS Saroj Ray & Associates Company Secretaries N6/215, IRC Village, Ground Floor, Bhubaneswar-751015 Occupation -Practising Company Secretaries.</p>

Sl.	Name, address, description	No. of	Signature of	Name, address
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No	and occupation of the Subscribers	Shares taken	Subscribers	description and occupation of the Witness
3.	Bhubaneswar Municipal Corporation (BMC) Vivekananda Marg Bhubaneswar, Odisha-751014 <i>Represented by</i> Shri Alok Kumar Kar Addl. Commissioner, Bhubaneswar Municipal Corporation (BMC) S/o. Upendra Nath Kar QR. No- VA- 17/3, Unit- II Bhubaneswar, Odisha - 751009 Occ- Govt. Service DOB- 05.04.1965	1,12,50,000 (One Crore Twelve Lakh Fifty Thousands)	Sd/- Shri Alok Kumar Kar Addl. Commissioner Bhubaneswar Municipal Corporation	I witness to subscriber who have subscribed and signed in my presence on 3 rd March, 2016, Further I have verified their identity details for their identification and satisfied myself of their identification particulars as filled it.
4	Sri Sisir Kumar Ratho Special Secretary to Government of Odisha Housing & Urban Development Department S/o. Narasingha Nath Ratho QTR No- 3/1, Type VI- D/S, Unit-II, Mahatma Gandhi Marg, Bhubaneswar, Odisha- 1 Occ- Govt. Service DOB- 01.07.1962	1 (One)	Sd/- Sri Sisir Kumar Ratho Spl. Secy., H & U.D	Sd/- CS Saroj Kumar Ray, FCS Saroj Ray & Associates Company Secretaries N6/215, IRC Village, Ground Floor, Bhubaneswar-751015 Occupation -Practising Company Secretaries.
5	Dr. Ajit Kumar Mishra Joint Secretary to Government of Odisha, Housing and Urban Development Department S/o. Ratnakara Mishra At-Dy-1, Satyasai Apartment Lewis Road, Bhubaneswar-751002, Occ- Govt. Service DOB- 05.04.1965	1 (One)	Sd- Dr. Ajit Kumar Mishra Jt. Secretary to Govt. U.D. Department of Odisha	I witness to subscriber who have subscribed and signed in my presence on 3 rd March, 2016, Further I have verified their identity details for their identification and satisfied myself of their identification particulars as filled it.

Sl. No	Name, address, description and occupation of the Subscribers	No. of Shares taken	Signature of Subscribers	Name, address description and occupation of the Witness
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6	Shri Belalsen Behera Under Secretary to Government (Project & Reform) Housing and Urban Development Department S/o. Niranjan Behera E/161, Baramunda Housing Board Colony, Bhubaneswar, Odisha- 751003, Occ- Government Service DOB- 26.01.1964	1 (One)	Sd/- Shri Belalsen Behera Under Secretary to Govt. H & U.D. Department Odisha	I witness to subscriber who have subscribed and signed in my presence on 3 rd March, 2016, Further I have verified their identity details for their identification and satisfied myself of their identification particulars as filled it.
7	Mr. Ranjan Kumar Das Secretary Bhubaneswar Development Authority(BDA) S/o. Akshaya Kumar Das Plot No- 288/2683, Bajrang Nagar Jharpada, Near Canal Ps. Laxmi Sagar, Bhubaneswar, Odisha-751006. Occ- Govt. Service DOB- 27.05.1964	1 (One)	Sd/- Mr. Ranjan Kumar Das Secretary Bhubaneswar Development Authority Bhubaneswar	I witness to subscriber who have subscribed and signed in my presence on 3 rd March, 2016, Further I have verified their identity details for their identification and satisfied myself of their identification particulars as filled it.
	TOTAL	2,50,00,000 (Two Crore Fifty Lakhs)		Sd/- CS Saroj Kumar Ray, FCS Saroj Ray & Associates Company Secretaries N6/215, IRC Village, Ground Floor, Bhubaneswar-751015 Occupation -Practising Company Secretaries.

Date : 03.03.2016

Place: Bhubaneswar