

THE COMPANIES ACT, 1956
COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
West Bengal Highway Development Corporation Limited

"It is a Government Company sponsored by West Bengal State Government within the meaning of section 617 of the Companies Act, 1956".

I. INTERPRETATION

1. In these Article unless there be anything repugnant to the Definitions. Subject or context the following words shall have the meaning written against them

"The Company" means the **West Bengal Highway Development Corporation Limited**

The "Act" or "the said Act" means the Companies Act (I of 1956) or any statutory modification or re-enactment thereof for the time being in force.

"The Office" means the Registered Office for the time being of the Company.

"The Governor" means the Governor of the State of West Bengal.

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

"Dividend" includes bonus.

"Month" means a calendar month.

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

"The Directors" means the Directors for the time being of the Company or as the case may be, the Directors assembled at a Board, or the Directors by whatever name called.

"Executor" or "Administrator" means a person who has obtained Probate or Letters of Administration, as the case may be, from some competent Court.

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

"Shares" mean the shares or stock into which the Capital is divided and the interest corresponding with such share or stock.

"Board" means a meeting of the Directors duly called and constituted, or as the case may be, the Directors assembled at a Board.

"Persons" include any Government, Central or State Corporations and firms as well as individuals.

"Seal" means the common seal for the time being of the Company.

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

"The Managing Director" means the Managing Director for the time being of the Company.

"Proxy" includes Attorney duly constituted under the power-of-Attorney.

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

"Financial Year" means subject to sub-section (4) of section 210 of the Act, such period in respect of which any profit or loss account of the Company laid before it in an Annual General Meeting is made up as the Board should determine whether that period is a complete year or not.

Words, importing the singular number include the plural number and vice versa, Words importing the masculine gender also include the feminine gender.

Save as aforesaid, words and expressions not specially defined in these articles shall, except where the subject or context forbids, have the same meaning as assigned to them in the Act.

Expressions in the Articles to bear the same meaning as in the Act.

Company to be public Company.

2. The Company is a Public Company Limited by shares:

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

3. The Company is a Government Company within the meaning of section 617 of the Act.

Table 'A' not to apply.

4. The regulations contained in Table 'A' in the First Schedule to the Act shall not apply to the Company except so far as the same are repeated or contained in or expressly made applicable by these articles or by the Act.

Company to be governed by these Articles.

5. The Articles for the management of the company and for the observance of the members thereof and their representatives shall, subject to any exercise of the statutory powers of the Company in reference to the repeal or alteration of or addition to its articles by special resolution, as prescribed or permitted by the Act, be such as are contained in these articles.

II. SHARE CAPITAL

Capital.

6. The authorized share Capital of the Company is Rs. 50,00,00,000 (Rupees fifty crores) divided into 50,00,000 (fifty lacs) Equity Shares of Rs. 100 (Rupees one hundred) each with powers to increase or reduce the Capital as provided in these articles, subject to the provisions of the Companies Act, 1956.

Company's shares no to be purchased.

7. No part of the funds of the Company shall be employed in the purchase of or in giving loans upon the security of the Company's shares.

Allotment of Shares.

8. Subject to the provisions of the Act and these Articles and to the directions of the Governor, the shares shall be under the control of the Board who may allot or otherwise, dispose of the same to such persons on such terms and conditions as it may think fit.

Share Certificate.

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

Provided that, in respect of a share or shares held jointly by several persons, the Company shall be bound to issue more than one certificate and delivery of a certificate or a share or shares to one of several joint holders shall be sufficient delivery thereof.

Issue of new share certificate in place of one defaced, lost or destroyed.

10. If a share certificate is defaced, lost or destroyed, it may be renewed on payment of such fee and on such terms if any, as to evidence and indemnity as the Board thinks fit.

III. CALLS ON SHARES

Call on shares.

11. The Board may, from time to time, make calls upon the members in respect of any moneys unpaid on their shares and specify the time or times of payments and each member shall pay to the Company at the time or times so specified the amount called on his shares:

Provided, however, that the Board may, from time to time at its sole discretion, extend the time fixed for the payment of any call.

When interest on call payable.

12. If the sum payable in respect of any call be not paid on or before the day appointed for payment thereof, the holder for the time being or allottee of the share in respect of which a call shall have been made, shall pay interest on the same at such rate not exceeding nine percent per annum as the Board may fix, from the day appointed for payment thereof to the time of actual payment, but the Board may waive payment of such interest wholly or in part.

Payment in anticipation of calls may carry interest.

13. The Board may, if it thinks fit, receive from any member willing to advance the same, all or any part of the moneys 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 the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate not exceeding nine per cent per annum as the member, paying such sum in advance and the Board agrees upon, and the Board may at any time repay, the amount so advanced upon giving to such member three month's notice in writing.

Joint holders' liability to pay.

14. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

Trust not to be recognised as shareholders.

15. No person shall be recognized by the Company as holding any shares upon any trust and the Company shall not be bound by or required to recognise any equitable, contingent, future or partial interest in any share or any right whatever in respect of any share other than an absolute right to the entirety thereof in the registered holder except as by these Articles otherwise expressly provided or as by Act required or pursuant to any order of Court.

IV. FORFEITURE OF SHARES

Forfeiture of shares.

16. If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time there after during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued thereon.

Notice for forfeiture.

17. The notice aforesaid shall –

- (a) Name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice), on or before which the payment required by the notice is to be made; and

(b) State that, in the event of non-payment on or before the day so

named, the shares in respect of which the call was made will be liable to be forfeited.

18. If the requirements of any such notice aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

Disposal of forfeited shares.

19. (1) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

(2) At any time before a sale or disposal as aforesaid the Board may cancel the forfeiture on such terms as it thinks fit.

Effects of forfeited shares.

20. (1) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall notwithstanding the forfeiture remain liable to pay to the Company all moneys, which at the date of forfeiture, were presently payable by him to the Company in respect of the shares.

(2) The liability of such persons shall cease if and when the Company shall have received payment in full of all such moneys in respect of the shares.

Declaration of forfeiture.

21. (1) A duly verified declaration in writing that the declarant is a Director, the Manager, the Secretary or the Treasurer of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share.

(2) The Company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of.

(3) The transferee shall thereupon be registered as the holder of the share.

(4) The transferee 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 or disposal of the share.

Provisions regarding forfeiture to apply in the case of non-payment of sums payable at a fixed time.

22. The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

V. LIEN

23. (1) The Company shall have a first and paramount lien –

Lien on shares
for unpaid calls.

- (a) On every share (not being a fully paid share) for all moneys (whether presently payable or not) called or payable at a fixed time, in respect Of that share; and
- (b) On all shares (not being fully paid shares) standing registered in the name of a single person, for al moneys presently payable by him or his estate to the Company:

Provided that the Board may, at any time, declare any share to be wholly or in part exempt from the provisions of this clause.

(2) The Company's lien, if any, on a share shall extend to all dividends payable thereon.

Enforcement of
lien by sale.

24. The Company may sell, in such manner as the Board thinks fit, any share on which the Company has a lien:

Provided that no sale shall be made –

- (a) unless a sum in respect of which the lien exists is presently payable ; or
- (b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists, as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

Sale of share on
which Company
has lien.

25. (1) To give effect to any such sale, the Board may authorise some person to transfer the share to the purchaser thereof.

(2) The purchaser shall be registered as the holder of the shares comprised in any such transfer.

(3) The purchaser shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the same.

Application of
proceeds of sale.

26. (1) The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.

(2) The residue, if any, shall, subject to a lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

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

28. (1) The instrument of transfer of any share in the Company shall be executed by or on behalf of both the transferor and the transferee.

29. The instrument of transfer shall be in writing and all the provisions of section 108 of the Companies Act, 1956 and of any modifications thereof for the time being shall be complied with in respect of all transfers of shares and registration thereof.

30. Unless the Board of Directors decide otherwise, when an instrument of transfer is tendered by the transferee, before registering any such transfer, the Directors shall give notice by letter sent by registered acknowledgement due post to the registered holder that such transfer has been lodged and that unless objection is taken the transfer will be registered. If such registered holder fails to lodge an objection in writing at the office within 10 days from the posting of such notice to him he shall be deemed to have admitted the validity of said transfer. Where no notice is received by the registered holder the Director shall be deemed to have decided not to give notice and in any notice shall not entitle him to make any claim of any kind against the Company or the Directors in respect of such non-receipt.

Instrument of transfer to be left at office and evidence of title to be given.

31. Every instrument of transfer shall be left at the registered office of the Company for registration, accompanied by the certificate of the shares to be transferred, and such evidence as the Company may require proving the title of the transferor or his right to transfer the shares. All instruments of transfer shall be retained by the Company, but instrument of transfer which the Board may decline to register shall, on demand, be returned to the person depositing the same.

Board's right to refuse registration.

32. The Board shall have the same right to refuse to register a person entitled to the transfer by operation of law to any shares of his nominee, as if he were the transferee named in an ordinary transfer presented for registration.

Fee for the transfer of share.

33. A fee not exceeding two rupees may be charged for each transfer and shall, if required by the Directors, be paid before the registration thereof.

34. The register of members or the register of debenture-holders may be closed for any period or periods not exceeding 30 days at any one time after giving

When register of members or debenture-holders may be closed.

not less than seven days previous notice by advertisement in some newspapers circulating in the district in which the registered office of the Company is situated.

VI. ALTERATION OF CAPITAL

Power to increase capital.

35. Subject to the approval of the Governor, the Board may, with the sanction of the Company in general meeting, increase the share capital by such sum to be divided into shares of such amount, as the resolution shall prescribe.

On what condition new shares may be issued.

36. Subject to such directions as may be issued by the Governor in this behalf, new shares shall be issued upon such terms and conditions as with such rights and privileges annexed thereto as the general meeting resolving upon the creation thereof shall direct and if no direction be given, as the Board shall determine.

How far new shares to rank with shares in original capital.

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

New share to be offered to Members.

38. The new shares shall be offered to the members in proportion to the existing shares held by each member and such offer shall be made by notice specifying the number of shares to which the member is entitled and limiting a time within which the offer, if not accepted, will be deemed to be declined and after the expiration of such time or on receipt of an intimation from the member to whom such notice is given that he declines to accept the shares offered, the Board may dispose of the same in such manner as it thinks most beneficial to the Company.

Reduction of Capital, etc.

39. Subject to the provisions of sections 100 to 104 of the Act, and to such directions as may be issued by the Governor in this behalf, the Company, may, from time to time, by special resolution, reduce its capital by paying off capital or canceling capital which has been lost or is unrepresented by available assets or is superfluous, or by reducing the liability on the shares or otherwise as may seem expedient, and capital may be paid off upon the footing that it may be called up again or otherwise and the Board may, subject to the provisions of the Act, accept surrender of shares.

Subdivision and consolidation of shares.

40. The Company in general meeting may, from time to time, sub-divide or consolidate its shares or any of them and exercise any of the other powers

conferred by section 94 of the Act and shall file with the Registrar such notice or exercise any such powers as may be required by the Act.

VII. BORROWING POWERS

Power to borrow. 41. Subject to such limits as may be sanctioned by the Governor in this behalf and subjects to the provisions of section 292 of the Act, the Board may, from time to time, borrow or secure the payment of any sum or sums of money for the purpose of the Company.

Condition on which money may be borrowed. 42. The Board may, subject to such directives as may be issued by the Governor in this behalf, secure the re-payment of moneys in such manner and upon such terms and condition in all respects as it thinks fit and in particular, by the issue of bonds, perpetual or redeemable debentures or debenture-stock, or by creating any mortgage, charge or other security on the undertaking of the whole or any part of the property of the Company (both present and future) including its uncalled capital for the time being.

Securities may be assignable free from equities. 43. Debentures, debenture-stock, bonds or other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

Issue at discount, etc. or with special privileges. 44. Subject to the approval of the Governor and the provisions of sections 79 and 117 of the Act, any debentures, debenture-stock, bonds or other securities may be issued at a discount, premium or otherwise and with any special privileges as to redemption, surrender, drawings, allotment of shares, appointment of Directors and otherwise.

Persons not to have priority over any prior charge. 45. Whenever 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 share-holders or otherwise to obtain priority over such prior charge.

Indemnity may be given. 46. If the Directors or any of them or any other persons shall become personally liable for the payment of any sum primarily due from the Company, the 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 out of such liability.

VIII. GENERAL MEETINGS

General Meeting. 47. The first, Annual General Meeting of the Company shall be held within 18 months of its incorporation. Subsequent Annual General Meetings shall be held

once in every year at such time and place as may be determined by the Board, but so that not more than 15 months shall be allowed to elapse between any two Annual General Meetings and further, such Annual General Meetings except to the extent permitted under the proviso so section 166(I) of the Act, be held within six months from the end of the financial year.

Every Annual General Meeting shall be held during business hours on a day other than a public holiday either 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 situate or as the Governor may direct subject to section 166 (2) of the Act and the notice calling the meeting shall specify it as the Annual General Meeting.

Extraordinary meeting.

48. The abovementioned General Meetings shall be called "Annual General Meetings". All other General Meetings shall be called "Extraordinary General Meetings".

Board to call extraordinary meeting.

49. The Board may, whenever it thinks fit, and shall if so required by the Governor, call an Extraordinary General Meeting.

Extraordinary meeting on requisition.

50. The Board shall call an Extraordinary General Meeting when ever a requisition in writing is received in accordance with section 169 of the Act.

When requisitionist can hold extraordinary meeting.

51. If the Board does not proceed to call a meeting within 21 days from the date of requisition being so deposited, to be held not later than 45 days from the date of such deposit, then the requisitionists or such of them as represent either a majority of them in value, of the paid-up share capital held by all of them or as permitted by sub-clause (b) of sub-section (6) of section 169 of the Act may themselves call the meeting, but any meeting so called shall not be held after three months from the date of such deposit.

Notice of meeting.

52. Twenty-one days notice at least specifying the place, the day and the hour of meeting and, in the case of special business, the general nature of such business accompanied by an Explanatory Statement under section 173 of the Act, shall be given in the manner hereinafter mentioned and as required by section 172 of the Act to such members as are entitled in law to receive notice from the Company.

Provided that accidental omission to give such notice to such member or the non-receipt of such notice by any such member shall not invalidate the proceeding at any such meeting.

IX. PROCEEDING OF GENERAL MEETING

53. Five members present in person or by proxy shall be a quorum for a general meeting. A corporation being a member shall be deemed to be personally present if represented according to the Act. A representative or a nominee of the Governor as stated hereinafter shall also be deemed to be a member for the purpose of forming a quorum.

Quorum.

Business of
general meeting.

54. The ordinary business of an Annual General Meeting shall be to receive and consider the profit and loss account, the balance sheet, and the report of the Board of Directors, and of auditors and to declare dividends. All other business transacted at such meeting and all business transacted at an Extraordinary General Meeting shall be deemed special.

Right of Governor
to appoint any
person as his
representative.

55. (i) The Governor, so long as he is a shareholder of the Company, may from time to time appoint one or more persons (who need not be a member or members of the Company) to represent him at all or any meeting of the Company as provided under section 187 A of the Act.

(ii) A person appointed under sub-article (i) of this Article, who is personally present at the meeting shall be deemed to be a member for the purpose of the Act and shall be entitled to exercise the same rights and powers (including the right to vote by proxy) as the Governor could exercise as a member of the Company.

(iii) The Governor may, from time to time, cancel any appointment made under sub-article (i) of this Article and make fresh appointments.

(iv) The production at the meeting of an order of the Governor evidenced as provided in the Constitution of India shall be accepted by the Company as sufficient evidence as any such appointment or cancellation as aforesaid.

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Chairman,
General Meeting.

56. The Chairman of the Board of Directors shall be entitled to take the chair at every general meeting. If there be no Chairman or if at any meeting he is not present within 15 minutes after the time appointed for holding such meeting or is unable to be present due to illness or any other cause or is unwilling to act, the Directors present shall choose a Chairman from amongst themselves and in default of their doing so, the members present shall choose one of the Directors to be Chairman and if no Directors present be willing to take the chair the members present shall choose one of their number to be the Chairman.

Power to adjourn
general meeting.

57. The Chairman may, with the consent of the meeting at which the quorum is present, adjourn any meeting from time to time and from place to place.

Business of
adjourned
meeting.

58. No business shall be transacted at an adjourned meeting other than the business which might have been left unfinished at the meeting from which the adjournment took place.

59. When a meeting is adjourned for thirty days or more notice of the adjourned meeting shall be given as in the case of an original meeting.

60. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

What is to be done
in evidence of the
passing of a
resolution where
poll not demanded.

61. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless a poll is, before or on the declaration of the result of the show of hands, demanded by a member present in person or proxy or by duly authorized representative; and unless a poll is so demanded a declaration by the Chairman that a resolution has on a show of hands been carried or carried unanimously or by a particular majority or lost, and an entry to that effect in the book of proceedings of the Company shall be conclusive evidence of the fact, without proof of the number or proportion of the vote recorded in favour of or against that resolution.

62. If a poll is duly demanded, it shall be taken in such manner and at such time and place as the Chairman of the meeting directs and either at once, or after an interval or adjournment or otherwise and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand of a poll may be with-drawn.

Chairman to have
casting vote.

63. In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a second or casting vote in addition to his own vote to which he may be entitled as a member.

In what cases
poll taken with-
out adjournment.

64. Any poll duly demanded on the election of a Chairman of a meeting or on any question of adjournment shall be taken at the meeting and without adjournment.

Business may
proceed notwith-
standing demand
of poll.

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

Minutes of
meeting.

66. Minutes shall be made in books provided for the purpose of all resolution and proceedings at general meetings, Board/Committee meetings in accordance with section 193 of the Act.

X. VOTES OF MEMBERS

Vote of members.

67. Upon a show of hands every member present in person or by proxy shall have one vote and upon a poll every member entitled to vote and present in person or by attorney or by proxy shall have his vote as provided under section 87(1) (b) of the Act. A proxy duly appointed shall not be entitled to speak in the meetings of the Company.

Instrument appointing proxy to be in writing.

68. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney or if such appointer is Company under its common seal or under the hand of a person duly authorized by such Company in that behalf or under the hand of attorney who may be the appointer.

Form of proxy.

69. Every instrument of proxy for a specified meeting or otherwise shall be either in form in Schedule IX to the Act or as near thereto as circumstances admit, be in the form or to the effect following ;

I,a member..... do hereby appointof (or failing him).....ofas my proxy to attend and vote for me and on my behalf at the annual/extraordinary general meeting of the Company to be held on the day of 20..... and at any adjournment thereof.

As witness signed this day of20.....

Signed by the said person.

When vote by proxy valid though authority revoked.

70. A vote given 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 the transfer of the share in respect of which the proxy is given provided that no intimation in writing of the death, revocation or transfer shall have been received at the office of the Company before the commencement of the meeting or the adjourned meeting at which the proxy is used.

Time for objection to vote.

71. No objection shall be raised to the validity of any vote except at the meeting or poll at which such vote is to be given or tendered and every vote whether given personally or by proxy not disallowed thereto poll shall be deemed valid for all purpose of such meeting or poll whatsoever.

Chairman's decision conclusive.

72. The Chairman of any meeting or the Chairman present at the taking of the poll shall be the sole judge of the Validity of every vote tendered at such meeting.

73. Copies of the Memorandum and Articles of Association of the Company and other documents referred to in section 39 of the Act shall be sent by

the Company to every member at his request within seven days of the request on payment of the sum of one rupee for each copy.

XI. BOARD OF DIRECTORS

74. The number of Directors of the Company shall not be less than three and it shall not be more than nine.

- (A) Subject to provisions of these Articles the Governor may from time to time reduce the total number of Directors of the Company, to a figure not less than three or may increase the total number of Directors not exceeding the maximum of nine as laid down in these Articles.
- (B) The Continuing Directors may yet act notwithstanding any vacancy in their body, but if and so long as their number is reduced below the number fixed by these Articles as the necessary quorum of Directors the continuing Directors may act to bring this fact to the notice of the Governor but for no other purpose.

Increase or decrease in number of Directors.

Directors act notwithstanding vacancy.

75. The Directors shall be appointed by the Governor and shall be paid such remuneration, if any, as he may, from time to time, determine. The strength of the first Directors of the Company will be nine.

Subject to section 284 of the Companies Act the Governor of Bihar shall be at liberty to remove from office all or any of the persons on the Board of Directors at any time in his absolute discretion and on removal, resignation, retirement or death of such person, whether original or substitute or upon the office being vacant for any cause whatsoever, to appoint any person or persons in his or their places.

76. At every Annual General Meeting of the Company one-third of such of the Directors not being the Chairman/Managing Director, who are appointed by the Governor for such period as he thinks fit, for the time being as are liable to retire by rotation in accordance with the provisions of section 255 of the Act, or if their number is not three or a multiple of three, then the number nearest to one-third shall retire from office in accordance with the provisions of section 256 of the Act. A retiring Director shall be eligible for re-appointment.

(A) The Board of Directors may subject to limitations provided by the Act allow and pay to any Director who attends a meeting at a place other than his usual place of residence for the purpose of attending a meeting such sum as the Board may consider fair compensation for traveling lodging and other incidental expenses properly incurred by him, in addition to his fee for attending such meeting subject to the guide-lines and directives issued from time to time by the State Government in this regard, and in the absence of such guide lines and directives, with the prior approval from the State Government.

Traveling Expenses incurred by Directors on Company's Business.

All Directors shall be entitled be reimbursed any traveling and other expenses incurred by them in connection with business of the Company subject to the aforesaid limitations.

77. The Directors shall not be required to hold qualification shares in the Company.

XII. DISQUALIFICATION OF DIRECTORS

78. Subject to the provisions of section 283 of the Act, the office of a Director who is not a permanent Director shall become vacant if –

- (a) he is found to be of unsound mind by a Court of competent jurisdiction.
- (b) he applies to be adjudicated an insolvent ;
- (c) he is adjudged an insolvent ;
- (d) he is convicted by a Court in India of any offence involving moral turpitude and is sentenced in respect thereof to imprisonment for not less than six months.
- (e) he absents himself from three consecutive meeting of the Board or from all meetings of the Board for a continuous period of three months, whichever is longer, without obtaining leave of absence from the Board;
- (f) he or any firm in which he is a partner or any private Company of which he is a Director, accepts a loan or any guarantee or security for a loan, from the Company ;
- (g) he fails to disclose the nature of his concern or interest in any contract or arrangement or proposed contract or arrangement entered into by or on behalf of the Company as required under section 299 of the Act.
- (h) he becomes disqualified by order of the Court under section 203 of the Act ;
- (i) he is removed in pursuance of section 284 of the Act ;
- (j) he is concerned or participates in the profits of any contract with the Company :

Provided, however, no Directors shall vacate his office by reasons of his becoming a member of any Company which has entered into contract with or done any work for the Company of which he is a Directors, but a Director shall not vote in respect of any such contract or work and if he does so vote, his vote shall not be counted. Disqualification referred to in sub-clauses (c), (d) and (h) above shall not take exact –

- (a) for thirty days form the date of adjudication, sentence or orders;
- (b) where any appeal or petition is preferred within the thirty days aforesaid against the adjudication or conviction resulting in the sentence or order, until the expiry of seven days from the date on which such appeal or petition is disposed of; or
- (c) where within the 7 days aforesaid, any further appeal or petition is preferred in respect of the adjudication, sentence, conviction, or order, and the appeal or petition. if allowed, would result in the removal of the disqualification, until such further appeal or petition is disposed of.

XIII. POWERS OF BOARD OF DIRECTORS

General powers
of the Company
vested in Board.

79. (I) Subject to the provisions of the Act, the Board of Directors of the Company shall be entitled to exercise all such powers, and to do all such acts and things as the Company is authorised to exercise and do :

Provided that the Board shall not exercise any power or do any act or things which is directed or required whether by the Act or by any other Act or by the Memorandum or Articles of the Company or otherwise to be exercised or done by the Company in General Meeting.

Provided further that in exercising any such power or doing any such act or thing, the Board shall be subject to the provision contained in that behalf in the Act or any other Act or in the Memorandum or Articles of the Company or in any regulation not in consistent therewith and duly made there under including regulations made by the Company in General Meeting.

(2) No regulation made by the Company in General Meeting shall invalidate any prior Act of the Board which would have been valid if that regulation had not been made.

Specific powers
to Board.

80. Without prejudice to the general powers conferred by the last preceding Articles and the other powers conferred by these articles and subject to the provisions of the Act, the Board shall have the following powers, that is to say, power –

- To acquire property.
- (1) To purchase, take on lease or otherwise acquire for the Company, property, rights or privileges which the Company is authorised to acquire at such price, and generally on such terms and conditions as it thinks fit, subject to the prior approval of the Governor, where the amount involved exceeds Rs. 10 (ten) lakhs.
- Works of Capital nature.
- (2) To authorise the undertaking of works of a capital nature.
- To pay for property in debentures, etc.
- (3) To pay for any property, rights or privileges acquired by on services rendered to the Company either wholly or partially, in cash or in shares, bonds, debentures or other securities of the Company and any such shares may be issued either as fully paid up or with such amount certified as paid up thereon as may be agreed upon and any such bond, debentures or other securities may be either specifically charged upon all or any part of the property of the Company and uncalled capital or not so charged.
- To secure contracts by mortgage.
- (4) To secure the fulfillment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such manner as they may think fit.
- (5) To appoint any person or persons (whether incorporated or not) to accept and hold in trust for the Company, any property belonging to the Company or in which it is interested or for any other purposes and to execute and do all such deeds and other things as may be requisite in relation to any such trust, and to provide for the remuneration of such trustee or trustees.
- To refer to arbitration.
- (6) To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any claims or demands by or against the Company.
- To refer to arbitration.
- (7) To refer any claim or demand by or against the Company to arbitration and observe and perform the awards.
- (8) To make and give receipts, releases and other discharges for money payable to the Company and for the claims and demands of the Company.

To authorise
acceptance, etc.

(9) To determine who shall be entitled to sign on the Company's behalf, bills, notes, receipts, acceptance, endorsement, cheques, releases, contracts and documents.

(10) To provide from time to time for the management of the affairs of the Company in such manner as it thinks fit and in particular to appoint any person to be the attorney or agent of the Company with such powers (including power to sub delegate) and upon such terms as may be thought fit.

To invest money.

(11) To invest in securities or in any other Scheduled Bank or Banks, to be specifically decided by the Board for having call deposits and opening current accounts and deal with any of the moneys of the Company upon such investments authorised by the Memorandum of Association of the Company (not being shares in this Company) and in such manner as it thinks fit and from time to time to vary or release such investments.

(12) To sell or dispose of or transfer the business or property, if any, of the Company or any part thereof for such consideration as the Company may deem proper in general meeting and in particular for shares, debentures, or securities of any other Company having objects altogether or in part similar to those of the Company.

To Execute
mortgages by
way of
indemnity.

(13) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any liability for the benefit of the Company such mortgages on the Company's property (present and future) as it thinks fit and any such mortgage may contain a power of sale and such other powers, covenants and provisions as shall be agreed upon.

To give
percentage.

(14) To give to any person employed by the Company a commission on the profits of any particular business transaction, or share in the general profits of the Company, and such commission or share of profits shall be treated as part of the working expenses of the Company.

To make
bye-laws.

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

(16) To give, award or allow any bonus, pension, gratuity or compensation to any employee of the Company, or his widow, children or dependants, that may appear to the Directors just or proper, whether such employee, his widow, children or dependants have or have not a legal claim upon the Company.

Delegation of powers to Committee.

(17) (a) Subject to the provisions of the Act, the Board may delegate any of their powers to committees consisting of such member or members of their body as they think fit and may from time to time, revoke such delegation. Any Committee so formed shall in the exercise of the powers so delegated, conform to any regulations that may, from time to time, be imposed upon it by the Board. The proceedings of such a Committee shall be placed before the Board at their next meeting.

Chairman of meetings of Committee.

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

When acts of Directors or Committees valid notwithstanding defective appointment, etc.

(c) All acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a Director shall, notwithstanding that it shall afterwards be discovered that or persons acting as aforesaid or that they or any of them were disqualified or had vacated office or that the appointment of any of them had terminated by virtue of any of the provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed and was qualified to be a Director, and has not vacated office or his office had not been terminated :

Provided 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.

Proceedings at Committee meeting.

- (d) (i) A Committee may meet and adjourn as it thinks proper.
- (ii) Questions arising at any meeting of a Committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairman shall have a second or casting vote.
- (iii) The quorum for such Committee meeting shall be determined by the Board of Directors of the Company and until so determined it shall be two members present at the meeting of the Committee.

To establish Local Board.

(18) To establish from time to time and at any time any local Board for managing any of the affairs of the Company in any specified locality in the State of Bihar or out of Bihar and to appoint any persons to be members of such local Board and to fix their remuneration : and from time to time and at any time to delegate to any person so appointed any of the powers authorities and discretion for the time being vested in the Board other than their

powers to make calls and to authorise the members for the time being of any such local Board or any of them to fill up any vacancies therein and to act notwithstanding vacancies and any such appointment or delegation may be made in such terms, and subject to such conditions as the Board may think fit, and subject to such conditions as the Board may think fit, and the Board may at any time remove any person so appointed and may annul or vary any such delegation.

To make
contracts, etc.

(19) To enter into all such negotiations and contracts and rescind and vary all such contracts and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company.

To subscribe to
charitable
institutions, etc.

(20) To subscribe or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national, public, or other institutions or objects, or for any exhibition, but not intended to serve any political party or cause.

To create
Provident Fund.

(21) Before declaring any dividends, to set aside out of the profits of the Company such sums as they may think proper for depreciation or to depreciation fund, reserve or reserve fund, or sinking fund, insurance fund or any special or other fund to meet contingencies or to repay redeemable preference shares, debentures or debenture stock, and for repairing, improving, extending, and maintaining any part of the property of the Company, for pensions, gratuities or compensations or to create any provident or benefit fund and for such other purpose including the purposes referred to in sub-clause (20) as the Directors may, in their absolute discretion think conducive to the interest of the Company; and to invest the several sums so set aside or so much thereof as required to be invested upon such investments (subject to the restrictions imposed by the Act) as the Directors may think fit.

To appoint
officers, etc.

(22) To appoint and at their discretion remove or suspend such secretaries, accountants, officers, agents and servants as they may from time to time think fit and to determine their powers and duties and fix their salaries or emoluments and require security in such instances and to such amounts as they may think fit. Provided, however, that no post, the basic pay of which, either exceeds Rs. 1,600 per month or the maximum of the scale of which exceeds Rs. 1,600 shall be created and filled without the prior approval of the Governor. Provided further that no appointment of any foreign national shall be made without the prior approval of the Governor except the appointment of foreign technical personnel to any post without any

dealing of salary to such personnel and also when such appointment of foreign technical personnel to any also when such appointment is in broad conformity with the policy of the Government.

To comply with local laws.

(23) To Comply with the requirements of any local law which in their opinion it shall, in the interest of the Company, be necessary or expedient to comply with.

To appoint attorneys.

(24) From time to time to provide for the management of the affairs of the Company outside its organisations in such manner as it thinks fit and in particular to appoint any person or persons to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in r exercisable by the Board of Directors under these presents) and for such period and subject to such conditions as the Directors may from time to time think fit and any such appointments, if the Directors think, may be made in favors of any Company or the Members, Directors, nominees or Managers of any Company or firm or otherwise, in favors of any fluctuation body of persons, whether nominated attorney may contain such powers for protection or convenience of persons dealing with such attorneys as the Directors may think fit.

XIV. APPOINTMENT OF CHAIRMAN

Appointment of Chairman.

81. (i) The Governor may from time to time appoint one of the Directors to the office of the Chairman of the Board of Directors.

(ii) The Chairman shall be appointment for such period and upon such terms and on such remuneration of any, whether by way of salary or honorarium, etc. as the Governor may think fit, subject to the relevant provisions of the Companies Act.

(iii) The Governor may from time to time remove or dismiss the Chairman from office and appoint another in his place.

(iv) Any such Director who is appointed to the office of the Chairman shall, if he ceases to hold the office of Director from any cause, *ipso facto* immediately cease to be the Chairman.

Appointment of Vice-Chairman.

81A. (i) The Governor may, if he seems it necessary, also appoint one of the Directors as Vice-Chairman of the Board of Directors.

(ii) The Vice-Chairman shall be appointed for such period and upon such terms and on such remuneration if any whether by way of salary or honorarium

etc. as the Governor may think fit subject to the relevant provisions of the Companies Act.

(iii) The Governor may from time to time remove or dismiss the Vice-Chairman from office and appoint another in his place.

(iv) Any such Director who is appointed to the office of the Vice-Chairman shall, if he ceases to hold the office of Director from any cause, *ipso facto* immediately cease to be the Vice-Chairman.

(v) Notwithstanding anything contained in the articles 56 and 90 Vice-Chairman appointed under this Article shall exercise the powers of the Chairman of the board in respect of presiding over the meetings of the Directors and General Meetings if the Chairman is not present. The Vice-Chairman, will exercise all the powers of the Chairman as prescribed under these articles during periods when a Chairman has not been appointed by the Governor and also during periods when a Chairman has been appointed by the Governor has not formally assumed charge of the Chairman. The Vice-Chairman will also exercise such powers as may be delegated to him by the Directors with the approval of the Governor.

XV. MANAGING DIRECTOR

Appointment of
Managing
Director

82. (1) Subject to the provisions of sections 269, 309 and 317 of the Act, the Governor may appoint any of the Directors of the Board to be the Managing Director for such period and upon such terms as he may think fit, for the conduct or management of the business of the Company subject to the control and supervision of the Board. The Managing Director or Managing Directors so appointed may be authorized by the Board to exercise such of the powers and discretion in relation to the affairs of the Company as are specifically delegated to him/them by the Board and are not required to be done by the Board or the Company at its meeting or at the General Meeting under the act. The first Managing Director of the Company shall be Secretary/ Principal Secretary Public Works Department and shall continue as such until a successor is appointed by the Governor.

(2) The Managing Director or Managing Directors may be paid such remuneration whether by way of salary or otherwise as may be fixed by the Governor.

(3) In the absence of the Managing Director on leave, or otherwise the Board, may, with the previous approval of the Governor, empower any other Director or any principal officer of the Company to perform all or any of his functions and duties :

Provided that where such absence is not likely to exceed three months, the precious approval of the Governor shall not be necessary.

XVI. MANAGERS OR FINANCIAL ADVISOR AND CHIEF ACCOUNTS OFFICER

Appointment of
Project Manager
Financial
Adviser and
Chief Accounts
Officer.

83. Subject to section 197-A, 386 and 387, read with section 388 of the Act, the Governor may appoint a Project Manager or Managers or Financial Advisor and Chief Accounts Officer on such terms and at such remuneration, if any, whether by way of salary or honorarium as he may think fit any may from time to time remove him/them from office and appoint another/others in his/their places(s).

83 A. (i) The Governor may appoint the Financial Adviser-cum-Chief Accounts Officer for time being of the Corporation as whole-time Director and upon such appointment as whole time Director the Financial Adviser-cum-Chief Accounts Officer shall be know as Director Finance.

(ii) The Director Finance shall discharge the functions of Financial Adviser-cum-Chief Accounts Officer and any other functions entrusted to him by the Board of Directors from time to time.

(iii) The Directors Finance shall, if he ceases to be an employee of the Corporation for any cause *ipso* facto immediately ceases to the Director.

Provided however that notwithstanding the fact that he ceased to be Director for any cause, he shall continue to function as Financial Adviser-cum-Chief Accounts Officer.

(iv) Unless and otherwise decided by the Governor there will be no change in the salary and allowances as a consequence of the change in the designation from Financial Adviser-cum-Chief Accounts Officer to Finance Director or vice versa by virtue of this Article.

Powers of
Chairman,
Managing
Director, Project
Manager,
Financial Adviser
and chief
Accounts Officer.

84. Subject to the provisions of sections 292, 297 and 197-A and other relevant provisions of the Act, the Board may from time to time entrust and confer upon the Chairman or Managing Director or Project Manager or Managers or Financial Advisor and Chief Accounts Officer for the time being such of the powers as they may think fit and may confer such powers for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions as they may think expedient and may from time to time revoke, with draw, alter or vary all or any of such powers.

XVII. MINUTES

Board to cause minutes to be made in books.

85. The Board shall cause proper minutes to be made/kept of all General Meetings of the Company and also of all appointments of officers; and of the proceedings of the meeting of Directors and Committees and/or attendance thereat, and all business transacted at such meetings, in accordance with the provisions of section 193 of the Act, and any such meeting, or in accordance with the provisions of sub-section (I-A) (b) of section 193 of the Act and in case of minutes of Directors or committee of Directors by the Chairman of the same meeting or the Chairman of the succeeding meeting, shall be conclusive evidence without any further proof of the fact herein stated.

XVIII. PROCEEDINGS OF BOARD OF DIRECTORS

Proceedings of the Board.

86. A meeting of the Board shall be held for the dispatch of the business of the Company at least once in every three months and at least four such meetings shall be held in every year.

Notice of the meetings.

87. Notice of every meeting of the Board shall be given in writing to every Director for the time being in India, and at his usual address in India, to every other Director.

Quorum for meetings.

88. The quorum for meeting of the Board shall be one-third of its total strength (any fraction in that one-third being rounded off as one) or two Directors whichever is higher provided that where at any time the number of interested Director exceeds or is equal to two-thirds of the total strength, the number of remaining Directors that is to say the number of Directors who are not interested present at the meeting being not less than two shall be the quorum during such time.

How questions to be decided.

89. (1) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

(2) In case of an equality of votes, the Chairman of the Board, if any, shall have a second or casting vote.

Chairman of Directors meeting.

90. If at any meeting the Chairman is not present within fifteen minutes after the time for holding the same, or no Chairman has been appointed as herein provided the Directors present may choose one of their numbers to be the Chairman of the meeting.

Powers of Chairman.

91. The Chairman shall reserve for the decision of the Governor any proposals or decisions of the Board, or of any Committee thereof, or any matters which in his opinion are of such importance as to be reserved for the approval of the Governor. No action shall be taken by the Company in respect of any such

proposal or decision reserved for the approval of the Governor as aforesaid until approval to the same has been obtained.

Powers of
Governor.

92. Without prejudice to the generality of the above provisions the Board of Directors shall reserve for the decision of the Governor any proposal for –

- (1) Sale, lease disposal otherwise of the whole or substantially the whole of the undertaking of the Company.
- (2) formation of subsidiary Company ;
- (3) division of capital into different classes of shares ;
- (4) winding up of the Company ;
- (5) terms and conditions of service of the employees ;
- (6) creation of reserve and special funds.

93. A Director may, subject to the provisions of notice as provided, convene a meeting of the Board. Questions arising at any meeting shall be decided by a majority of votes.

Resolution
without
Board's
meeting.

94. Subject to restrictions placed under section 292 of the Act, resolutions of the Board can be passed by circulation subject to section 289 thereof and they shall be as valid and effectual as if they have been passed at a meeting of the Directors duly called and constituted.

XIX. RESERVE FUND

Reserve Fund.

95. Subject to such direction as may, from time to time, be issued by the Governor in this behalf, the Board may before recommending any dividend, set aside, out of the profits of the Company, such sums as they think proper as a reserve fund, to meet contingencies or for equalising dividends or for repairing, improving and maintaining any of the property of the Company and for such other purposes as the Board shall in its absolute discretion think conducive to the interest of the Company; and may invest the several sums so set aside upon such investments (other than shares of the Company), as it thinks fit and from time to time deal with and vary such investments and dispose of all or any part thereof for the benefit of the Company and may divide the reserve funds into such special funds as it thinks fit and employ the reserve funds or any part thereof in the business of the Company; and that without being bound to keep the same separate from the other assets.

XX. DIVIDENDS

- Dividends. 96. The profits of the Company available for payment of dividend subject to any special rights relating thereto created or authorised to be created by these presents and subject to the provisions of these presents as to the reserve funds shall, with the approval of the Governor, be divisible among the members in proportion to the amount of capital held by them respectively. Provided always that (subject as aforesaid) any capital paid-up on a share during the period in respect of which a dividend is declared shall only entitle the holder of such share to an apportioned amount of such dividend as from the date of payment.
- Declaration of dividends. 97. The Company in general meeting may declare a dividend to be paid to the members according to their rights and interests in the profits and may fix the time for payment, but no dividend shall exceed the amount recommended by the Board.
- Dividend out of profit only and not to carry interest. 98. No dividend shall be payable otherwise than out of the profits of the year or other period or any other undistributed profits of the Company and no dividend shall carry interest as against the Company.
- When to be deemed net profits. 99. The declaration of the Board as to the amount of the net profits of the Company shall be conclusive.
- Interim dividend. 100. The Board may, from time to time, pay to the members such interim dividends as in their judgment the position of the Company justifies.
- Debts may be deducted. 101. The Board may retain any dividends 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.
- Effects of transfer. 102. A transfer of shares, shall not pass the right to any dividend declared thereon after such transfer and before registration of the transfer.
- Retention of certain cases. 103. The Board 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 clause is entitled to transfer, until such person shall become a member in respect of such shares or shall duly transfer the same.
- Dividend to joint holders. 104. Any one of the 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.
- Dividend to be in cash. 105. Subject to the provisions of section 205 of the Act, no dividend shall be payable except in cash and shall be paid within forty-two days of its declaration;

Provided that the profits or reserves of the Company may be capitalised for the purpose of issuing fully paid-up bonus shares or paying of any amount for the time being unpaid on any shares held by the members of the Company.

Payment by post.

106. Unless otherwise directed any dividend may be paid 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.

Notice of dividends.

107. Notice of the declaration of any dividend, whether interim or otherwise, shall be given to the holders of registered shares in the manner hereinafter provided.

Unclaimed dividend.

108. All dividends unclaimed shall be dealt with in accordance with the provisions of section 205A of the Companies Act, 1956.

XXI. ACCOUNTS

Accounts to be kept.

109. The Company shall keep at its registered office proper books of accounts in accordance with section 209 of the Act.

Inspection of Account Books.

110. (1) The Board 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 of the Company or any of them, shall be open to the inspection of members not being Directors.

Inspection by members.

(2) No member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorised by the Board or by the Company in general meeting.

Contents of profit and loss account.

111. The profit and loss account shall, subject to the provisions laid down in section 211 of the Act and Schedule VI referred to therein, show arranged under the most convenient heads, the amount of gross income, distinguishing the several sources from which it has been derived, and the amount of gross expenditure distinguishing the expenses of the establishment salaries and other like matters. Every item of expenditure fairly chargeable against the year's income shall be brought into account so that a just balance of profit and loss may be laid before the meeting, and in cases where any item of expenditure which may in fairness be distributed over several years has been incurred in any one year, the whole amount of such item shall be stated with the addition of the reasons why only a portion of such expenditure is charged against the income of the year.

Balance-sheet and other documents to be sent to the address of every member.

112. The Company shall send a copy of the balance sheet and profit and loss account together with a copy of the auditor's and director's report to the registered address of every member of the Company in the manner in which notices are to be given hereunder at least twenty-one days before the meeting at which it is to be laid before the members of the Company and shall deposit a copy at the registered office of the Company for inspection of the members of the Company during a period of at least twenty-one days before the meeting.

Directors to comply with sections 209 to 222 of the Act.

113. The Director shall in all respects comply with the provisions of sections 209 of the Act or any statutory modification thereof for the time being in force as may be applicable to the Company.

Period of notice how calculated.

114. Where a given number of day's notice or notice extending over any other period is to be given the day of service shall, unless it is otherwise provided, be counted in such number of days or other period.

XXII. AUDIT

Accounts to be audited.

115. Once at least in every financial year the accounts of the Company shall be examined and correctness of the profit and loss account and balance sheet ascertained by one or more auditors.

Appointment of Auditors and their remuneration.

116. The auditors of the Company shall be appointed or re-appointed by the Central Government on the advice of the Comptroller and Auditor General of India and his/their remuneration, rights and duties shall be regulated by Sections 224 to 233 read with section 619 of the Act.

Auditors right to attend meetings.

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

Power of the Comptroller and Auditor General.

118. The Comptroller and Auditor General of India shall have power –

- (a) to direct the manner in which the Company's accounts shall be audited by the auditor/auditors appointed in pursuance of Article 116 hereof and to give such auditor/auditors instructions in regard to any matter relating to the performance of his/their functions as such :
- (c) to conducts a supplementary or test audit of the Company's accounts by such person or persons as he may authorise in this behalf; and for the purpose of such audit, to have access at all reasonable times, to all Account, Account Books, Vouchers, Documents and other papers of the

- (d) Company and to require information or additional information to be furnished to any person or persons so
- (e) authorised on such matters, by such person or persons and in such form as the Comptroller and Auditor General may, by general or special order, direct.

Comments upon or supplement to audit report by the Comptroller and Auditor General to be placed before general meeting.

119. The auditor/auditors aforesaid shall submit a copy of his/their audit report to the Comptroller and Auditor General of India who shall have the right to comment upon or supplement the audit report in such manner as he may think fit. Any such comments upon or supplement the audit report in such manner as he may think fit. Any such comments upon or supplement to the audit report shall be placed before the Annual General Meeting of the Company at the same time and in the same manner as the audit report.

Annual report to be laid before State Legislature.

120. The Governor shall cause an annual report on the working and affairs of the Company to be –

- (a) prepared within three months of its annual general meeting before which the audit report is placed; and
- (b) as soon as may be after such preparation the report shall be laid before the state Legislature with a copy of the Audit report and comments or supplements referred to in the preceding Article.

When accounts deemed finally settled.

121. Every account of the Company, when audited and approved by a general meeting shall be conclusive.

XXIII. THE SEAL

Common seal of Company.

122. (1) The Seal shall not be affixed to any instrument except by the authority of a resolution of the Board and in the presence of two Directors at the least and either the Secretary of the Company or any other person as appointed by the Board for the purposes.

(2) Every deed or other instrument, to which the seal of the Company is required to be affixed, shall, unless the same is executed by duly Constituted attorney, be signed by two Directors and the Secretary or some other person appointed by the Board for the purpose as provided in clause 122(1) above.

XXIV. GENERAL

Rights of the
Governor.

123. Notwithstanding anything contained in any of these Articles, the Governor in keeping with the statutory requirements of the Companies Act, 1956 may from time to time issue such directive as he may consider necessary in regard to the conduct of business of the Company or Directors thereof and in like manner

may vary and annul any such directive. The Company shall give immediate effect to the directive so issued.

XXV. NOTICE

How notice to be
served on
members.

124. A notice may be given by the Company to any member either personally or by sending it by post to him to his registered address, or (if he has no registered address) to the address, if any, supplied by him to the Company for the giving of notice to him.

Notification of
address by a
holder of
registered shares
having no
registered place.

125. A registered holder of share who has no registered place of address, may from time to time notify in writing to the Company on address, within the meaning of the last preceding Article.

When notices
may be given
by advertisement.

126. If a member has no registered address and has not supplied to the Company an address for the giving of notices to him, a notice addressed to him and advertised in a newspaper circulating in the neighborhood of the registered office of the Company, shall be deemed to be duly given to him on the day on which the advertisement appears.

Notice to joint
holders.

127. A notice may be given by the Company to joint holders of a share by giving the notice to the joint holder whose name appears first in the register in respect of the same.

How notice to be
given to
representative of
a deceased or
bankrupt member.

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

To whom notice
of general
meetings be
given.

129. Notice of every general meeting shall be given in the same manner hereinbefore authorised to (a) every member of the Company except those members who having no registered address have not supplied to the Company an address for the giving of notice to them and also to (b) every person entitled to a

share in consequence of the death or insolvency of a member who, but for his death or insolvency would be entitled to receive notice of the meeting, provided the Company has due notice.

How notice to be signed.

130. The signature of any notice to be given by the Company may be written or printed or lithographed.

131. Every person, who, by operation of law, transfer or other means whatsoever, shall become entitled to any share, shall be bound by every notice in respect of such being notified to the Company, shall by duly given to the person from whom he derives his title to such share.

XXVI. WINDING UP

Distribution of assets on winding up.

132. 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 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 among 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 clause is to be without prejudice to the rights of the holders of shares issued upon special terms and conditions.

XXVII. SECRECY CLAUSE

Secrecy clause.

133. No member, shall be entitled to require discovery of or any information respecting any detail of the Company's trading or any matter which may be in the nature of a trade secret, mystery of trade or secret process which may relate to the conduct of the business of the Company and which in the opinion of the Board it will be inexpedient in the interest of the members of the Company to communicate to the public.

XXVIII. INDEMNITY

Indemnity.

134. Subject to the provisions of section 201 of the Act every Director, Manager, Secretary and other officer or servant of the Company shall be indemnified by the Company against, and it shall be the duty of the Directors out of the funds of the Company to pay all costs, losses and expends which any such officer or servant may incur or become liable to by reason of any contract entered into or act or thing done by him as such officer or servant or in any way in the

discharge of his duties, and the amount for which such indemnity is provided shall immediately attach as a lien on the property of the Company, and have priority as between the members over all other claims. This extends to any liability incurred in defending civil/criminal proceedings in which judgment is given in his favour or in which he is acquitted or any relief is granted under section 633 of the Act.

Individual
responsibility of
Directors.

135. No Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or officer of the Company or for joining in any receipts or other act for sake of conformity, or for any loss or expenses happening to the Company through the insufficiency or deficiency of title to any property acquired by the order of the Directors for or on behalf of the Company, or for the sufficiency or deficiency of any security in or upon which any of the moneys of the company shall be invested or for any loss or damage arising from the bankruptcy, insolvency, or tortuous act of any person with whom any moneys, securities or effects shall be deposited or for any loss occasioned by any error of Judgment or oversight on his part or for any other loss, damage or misfortune whatsoever, which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own negligence, default, misfeasance, breach of duty or breach of trust.

Serial No.	Name of Subscribers	Address and description of subscribers	No. of shares taken by subscribers	signature of subscribers	signature, name, address, description and occupation of the witness to the subscribers
1	2	3	4	5	6
1	Governor of West Bengal, represented by Secretary, Public Works Department		49,997		
2	Engineer –in Chief & E O Secretary , Public Works Department		1		
3	Chief Engineer Public Works (Roads) Department		1		
4	Chief Engineer , Public Works Department		1		

Dated this 02nd day of February , 2012