



सत्यमेव जयते

प्रारूप. आई. आर.

Form I.R.

निगमन का प्रमाण-पत्र

CERTIFICATE OF INCORPORATION

स. 24055 शक 1908
No. 24055 of 19 86-87

मैं एतद् द्वारा प्रमाणित करता हूँ कि आज इन्दोरामा सैन्थेटिक्स (इण्डिया) लिमिटेड
कम्पनी अधिनियम 1956 (1956 का 1) के अधीन नियमित की गई है और यह कम्पनी परिसीमित है।

I hereby certify that INDORAMA SYNTHETICS (INDIA) LIMITED
is this day
incorporated under the Companies Act, 1956 (No. 1 of 1956) and that the Company
is limited.

मेरे हस्ताक्षर से आज ता. 8 वैशाख, 1908 को दिया गया।

Given under my hand at NEW DELHI this TWENTY EIGHTH day
of APRIL One thousand nine hundred and EIGHTY SIX



Sd/-

(सूरज कपूर)

कम्पनी रजिस्ट्रार

(SOORAJ KAPOOR)

Registrar of Companies
DELHI & HARYANA

Company No.24055



सत्यमेव जयते

Certificate for Commencement of Business

व्यापार प्रारम्भ करने का प्रमाण-पत्र

Pursuant to section 149 (3) of the Companies Act, 1956

कम्पनी अधिनियम १९५६ की धारा १४९ (३) के अनुसरण में

I hereby certify that the **INDORAMA SYNTHETICS (INDIA) LIMITED**

मैं एतद् द्वारा प्रमाणित करता हूँ, कि **इन्दोरामा सेन्थेटिक्स (इण्डिया) लिमिटेड**

which was incorporated under the Companies Act, 1956 on

जो कि कम्पनी अधिनियम, १९५६ के अन्तर्गत पंजीकृत की गई थी दिनांक **8 वैशाख, 1908**

the **TWENTY EIGHTH** day of **APRIL** 1986

and which has filed a duly verified declaration in the

और जिस ने कि यथावत् निर्धारित प्रपत्र में सत्यापित घोषणा पत्र प्रस्तुत

prescribed from that the conditions of section

कर दिया है कि उस ने धारा 149 (2) (a) to (c) of the said Act, have been complied with, is entitled

को सभी शर्तों का अनुपालन कर दिया है, अतः व्यापार आरंभ करने का

to commence business.

अधिकारी है।

Given under my hand at **NEW DELHI**

मेरे हस्ताक्षर से आज दिनांक **3 अग्रहायण, 1908**

this **TWENTY FOURTH** day of **NOVEMBER**

One thousand nine hundred and **EIGHTY SIX**

को जारी किया गया।



Sd/-

(N.S. GUPTA)

Addl. Registrar of Companies

कम्पनी रजिस्ट्रार

दिल्ली एवं हरियाणा

Co. No. 10-07421

Government of India
Ministry of Industry
(Department of Company Affairs)
OFFICE OF THE REGISTRAR OF COMPANIES, M.P.

(Section 18 (3) of Companies Act, 1956)
CERTIFICATE OF REGISTRATION OF THE ORDER OF CLB/CONFIRMING
TRANSFER OF THE REGISTERED OFFICE FROM THE
ONE STATE TO ANOTHER

The ..INDO RAMA... SYNTHETICS... (INDIA)... LIMITED...
having by special resolution altered the provisions of its Memorandum of
Association with respect to the place of the registered office by changing it
from the State of ..UNION... TERRITORY... OF... DELHI... to the State of
MADHYA PRADESH... and such alteration having been confirmed by an order
of ..COMPANY LAW BOARD, NOTHERN REGION, BENCH, NEW DELHI...
bearing date the ...30th NOVEMBER 1992

I hereby certify that a certified copy of the said order has this
day been registered.

Given under my hand atGWALIOR..... thisFOURTH.....
day ofJANUARY... One Thousand Nine Hundred and ...NINETY THREE...



Sd/-
(B.N. HARISH)
Registrar of Companies
Madhya Pradesh, Gwalior



सत्यमेव जयते

GOVERNMENT OF INDIA

MINISTRY OF COMPANY AFFAIRS

Maharashtra, Mumbai

Everest , 100, Marine Drive, , Mumbai - 400002, Maharashtra, INDIA

Corporate Identity Number : L17124MH1986PLC166615

SECTION 18(3) OF THE COMPANIES ACT, 1956

Certificate of Registration of Company Law Board order for Change of State

M/s INDO RAMA SYNTHETICS (INDIA) LIMITED having by special resolution altered the provisions of its Memorandum of Association with respect to the place of the Registered Office by changing it from the state of Madhya Pradesh to the Maharashtra and such alteration having been confirmed by an order of CLB MP, CLB MP bearing the date 24/11/2006.

I hereby certify that a certified copy of the said order has this day been registered.

Given under my hand at Mumbai this TWENTY NINTH day of DECEMBER TWO THOUSAND SIX.



(A S SINGH)

Asst Registrar of Companies
Maharashtra, Mumbai

Mailing Address as per record available in Registrar of Companies office:

INDO RAMA SYNTHETICS (INDIA) LIMITED
31-A,,
MIDC Industrial Area,,
Butibori - 441122,
Maharashtra,
INDIA

(THE COMPANIES ACT, 1956)

(COMPANY LIMITED BY SHARES)

MEMORANDUM OF ASSOCIATION
OF

INDO RAMA SYNTHETICS (INDIA) LIMITED

- I. The name of the Company is **INDO RAMA SYNTHETICS (INDIA) LIMITED**.
- II. The Registered Office of the Company will be situated in the State of Maharashtra.
- III. The objects for which the Company is established are :-
 - A. MAIN OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION:**
 1. To carry on the business of ginning, pressing, spinning, weaving, doubling, texturising, processing or manufacturing and dealing in cotton, jute, flax, hemp, silk, artificial silk, wool, rayon, nylon, polyester, acrylic, acetate, viscose staple fibres and any other kinds of fibrous material, whether natural or synthetic or chemical or manmade and products thereof (including wastes realised therefrom), lines manufacturers, wool combers, worsted spinners, worsted stuff manufacturers, manufacturers of yarn, linen, cloth and other goods and fabrics, whether textile, felted, netted, looped, woven, non-woven or otherwise fabricated or made and manufacturers of garments and dresses, bleachers and dyers and makers of vitriol, bleaching and dyeing materials and other chemicals; and the business of buyers and sellers, exporters and importers of and dealers in cotton, kapas, jute, flax, hemp, silk, artificial silk, wool, staple, rayon, polyester, acrylic, acetate, nylon and any other kinds of fibrous, synthetic and chemical substances and products, yarn, cloth or other products manufactured for or from any of the above substances and also to carry on the business of curing, preparing, coloruing, dyeing, bleaching, printing or otherwise processing any yarn, cloth, fibre or other materials, goods or products related thereto.
 2. To carry on the business of manufacturers of and a dealers in yarn, printed and embroidered cloth, fabrics and other kinds of cloth, nets, nettings, mattings, carpets, rugs, waterproof materials and fabrics, tarpaulins, imitations leathers, plastic cloth, hosiery, threads, knitting yarn, millinery, laces and other clothings and dress materials.

B. OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF THE ABOVE OBJECTS:

1. To acquire, build, construct, alter, maintain, enlarge, pull down, remove or replace and to work, manage and control any buildings, offices, factories, mills, shops, machinery, engines, vehicles, roads, ways, tramways, railways, branches or sidings, bridges, reservoirs, watercourses, wharves, electric works and other works and conveniences which may seem calculated directly or indirectly to advance the interest of the Company and to join with any other person or company in doing any of these things.
2. To buy, sell, acquire, alter, improve, exchange, let out on hire, import, export and deal in all factories, works, plants, machinery, tools, utensils, appliances, apparatus, products, materials, substances, articles and things capable of being used in any business which this Company is competent to carry on and to manufacture, experiment with, render marketable and deal in all products of residual nature and by products incidental to or obtained in any of the business carried on by the Company.
3. To purchase, take on lease or tenancy or in exchange, hire, take options over or otherwise acquire any estate, land, building, houses, farms and other properties of every description, wherever situated or interest whatsoever and to hold, improve, manage, develop, work, cultivate, deal with and turn to account concessions, grants, decrees, licences, privileges, claims, options, leases, property, real or personal, or rights or powers of any kind which may appear to be necessary or convenient for any business of the Company.
4. To acquire from any person, firm or body corporate or unincorporate, whether in India or elsewhere, technical information, know-how, processes, engineering, manufacturing and operating data, plans, layouts and blueprints useful for the design, erection and operation of plant required for any of the business of the Company and to acquire any grant or licence and other rights and benefits in the forgoing matters and things.
5. To enter into any contracts, agreements, arrangements or other dealings in the nature of technical collaboration or otherwise with any person, firm, company, association, corporation, municipality, country, state, government or body or other authority of whatever nature, whether in India or elsewhere, for efficient conduct of the business of the Company.
6. To sell, exchange, mortgage, let or lease, hire, royalty or tribute, grant licences, easements, options and other rights over, and in any other manner deal with or dispose of the whole or any part of undertaking, property, assets, rights and effects of the Company for such considerations as may be thought fit and in particular for stocks, shares, whether fully or partly paid up, or securities of any other company whether or not having objects as that of this Company.
7. To pay for any rights or properties acquired by the Company and to remunerate any person, firm or body corporate rendering services to the Company either by cash payment or by allotment to him or them of shares in or securities of the Company as paid up in full or in part or otherwise.
8. To open branches, sub-offices, depots and shops in any State of India or outside India and to appoint agents, stockists, distributors, sub-distributors and brokers to procure orders, market or sell the products of the Company or the goods of any other firm or company in which this company may be dealing.
9. To lend and advance money, either with or without security, and give credit upon such terms and conditions as the Company may think fit and in particular to customers and others having dealings with the Company and to guarantee the performance of any contract or obligations and the payment of money by any such person.

10. To invest and deal with the moneys of the Company not immediately required in such investments as may be thought proper and to hold, sell or otherwise deal with such investments.
11. Subject to Sections 58A, 292 and 293 of the Companies Act, 1956 and regulations made thereunder and the directions issued by Reserve Bank of India, to receive money on deposit or loan and to borrow or raise money from any bank or banks and/or financial institutions or any person or persons for the purpose of the Company's business in such manner and on such terms and with such rights, powers and privileges as the Company may think fit and in particular by issue of debentures or debenture stock (perpetual or otherwise) or upon bonds, bills of exchange, promissory notes or other obligation or security of the Company and/or to secure the payment of any money borrowed, raised or owing as aforesaid by mortgage, charge or lien upon the undertaking and all or any of the immovable and movable properties or assets of the Company (both present and future) including its uncalled capital for the time being and also by a similar mortgage, charge or lien to secure and guarantee the performance by the Company or any other person or company of any contract or obligation undertaken by the Company and to purchase, redeem or pay off any such securities and obligations.
12. To draw, make, accept, endorse, execute, negotiate, purchase, hold and dispose of cheques, promissory notes, bills of exchange, hundies, drafts, charter parties, bills of lading, warrants, debentures and other negotiable or transferable instruments and to cancel and vary such instruments.
13. To apply for and take out, purchase or otherwise acquire and protect, prolong and renew in any part of the world any patents, patents rights, brevets d'inventions, trade marks, designs, copyrights, licences, protections, concessions and the like conferring any exclusive or non-exclusive or limited rights to their use or of any secret or other information as to any invention, process or privilege which may seem capable of being used for any of the purposes of the Company or the acquisition of which may seem calculated directly or indirectly to benefit the Company and to use, exercise, develop or grant licences to use the same and/or sell or otherwise turn to account, the properties, rights and information so acquired and to carry on any business in any way connected therewith.
14. To establish, provide, maintain and conduct or otherwise in India or in any part of the world, educational and training institutions, research laboratories and experimental workshops, for scientific and technical research and experiments, to undertake and carry on scientific and technical researches, experiments and tests of all kinds, to promote studies and research both scientific and technical, investigation and inventions by providing, subsidising, endowing or assisting laboratories, workshops, libraries, lectures, meetings and conferences and by providing or contributing to the remuneration of scientific or technical professors or teachers and by providing or contributing to the award of scholarships, prizes, grants to students or otherwise and generally to encourage, promote and reward studies, researches, investigations, experiments, tests and inventions of any kind that may be considered likely to assist any business which the Company is authorised to carry on, and to enter into any arrangement with Government or any other party in India or elsewhere for the aforesaid purposes.
15. To acquire and take over the whole or any part of the business, property and liabilities of any person, firm or company carrying on or proposing to carry on any business which this Company is authorised to carry on or possessed of property suitable for the purpose of the Company.

16. To procure the registration or recognition of the Company in or under the laws of any place outside India.
17. To form, incorporate or promote any company or companies, whether in India or elsewhere, having amongst its or their objects the acquisition of all or any of the assets or control, management or development of the Company or any other object or objects which in the opinion of the Company could or might directly or indirectly assist the Company in the management of its business or the development of its properties or otherwise prove advantageous to the Company and to pay all or any of the costs and expenses incurred in connection with any such promotion or incorporation and to remunerate any person or company in any manner it shall think fit for services rendered or to be rendered in obtaining subscription for or placing or assisting to place, to obtain subscription for or for guaranteeing the subscription of or the placing of any shares in the capital of such company or any bonds, debentures, obligations or securities of any other company held or owned by the Company or in which the Company may have an interest or in or about the formation or promotion of the Company or the conduct of its business or about the promotion or formation of any other company in which the Company may have an interest.
18. Subject to the provisions of Sections 391 to 394 of the Companies Act, 1956, to amalgamate, to enter into partnership or into any arrangement for sharing profits, union of interests, co-operation, joint-venture, reciprocal concession with any person or persons or company or companies carrying on or engaged in or about to carry on or engage in any business or transaction which this Company is authorised to carry on.
19. To adopt such means of making known the products of the Company as may seem expedient and in particular by cinema and T.V. slides, advertising in the press, by circulars, by purchases and exhibition of works of art or interest, by publication of books and periodicals and by granting prizes, rewards and donations.
20. To undertake and execute any trust, the undertaking of which may seem to the Company desirable and either gratuitously or otherwise, vest any real or personal property, rights or interest acquired by or belonging to the Company in any person or company on behalf of or for the benefit of the Company and with or without any declared trust in favour of the Company and to accept gifts and to give gifts and donations, to create trust for any deserving objects and to act as trustees.
21. To apply the assets of the Company in any way in or towards the establishment, maintenance or extension of any association institutions or fund in anyway connected with any particular trade or business or with trade or commerce generally and particularly with the trade, including any association, institution or fund for the protection of the interests of masters, owners and employers against loss by bad debts, strike, commotion, fire, accidents or otherwise or for the benefit of employees or ex-employees (including directors and ex-directors) of the Company (or any of its predecessors or in business) or the dependants or connections of such persons and whether or not in common with other persons or classes of persons and in particular of friendly, co-operative and other societies, establish, maintain and run reading rooms, libraries, educational and charitable institutions, dining and recreation rooms, churches, chapels, schools and hospitals and to grant gratuities, pensions and allowances and to contribute to any fund raised by public or local subscription for any purpose whatsoever.
22. To aid, pecuniarily or otherwise, any association, body or movement having for an object the solution, settlement or surmounting of industrial or labour problems or troubles or the promotion of industry or trade.

23. To subscribe, donate or grant money for any national, charitable, scientific, religious, benevolent, public, general or useful object for any exhibitions subject to the provisions of the Companies Act, 1956.
24. To establish and maintain or procure the establishment and maintenance of any contributory or non-contributory pension or superannuation funds for the benefit of, and give or procure the giving of donations, gratuities, pensions, allowances or emoluments to any persons who are or were at any time in the employment or service of the Company, or of any company which is subsidiary of the Company or is allied to or associated with Company or with any such subsidiary company or who are or were at any time Directors or officers of the Company or of any such other company as aforesaid, and the wives, widows, families and dependants of any such persons and also establish and subsidise and subscribe to any institutions, associations, clubs or funds calculated to be for the benefit of or to advance the interest and well-being of the Company or of any such other company as aforesaid, and make payments to or towards the insurance of any such person as aforesaid and do any of the matters aforesaid, either alone or in conjunction with any such other company as aforesaid.
25. To pay out of the funds of the Company all expenses which the Company may lawfully pay with respect to the promotion, formation and registration of the Company or the issue of its capital including brokerage and commissions for taking, placing or underwriting or procuring the underwriting of shares, debentures or other securities of the Company.
26. To undertake, carry-out, promote, sponsor and/or assist in any programme of rural development or any programme for promoting social and economic welfare of or uplift of the public and to incur any expenditure on such programme and to assist in execution and promotion thereof either directly or through any agency or agencies or in any other manner and in connection with or for the implementation of any of the above objects or purposes, to transfer or otherwise divest with or without consideration or at concessional value any property of the Company to or in favour of any public or local body or authority or the Central or any State Government or any institution or trust, Society or Fund as approved by the Central Government or State Government or any other appropriate authority.
27. To establish, maintain and operate training institutions and hostels for technical staff of all categories of the Company and to make such other arrangements that may be expedient for the training of all categories of officers, workers, clerks, technical and other personnel likely to be useful to or assist in any business which the Company is authorised to carry on.
28. To apply for, promote and obtain an Act of Parliament, charter, privilege, concession, licence or authorisation of any Government, State or Municipality, provisional order or licence of any authority for enabling the Company to carry any of its objects into effect or for extending any of the powers of the Company or for effecting any modification of the constitution of the Company or for any other purpose which may seem calculated to prejudice the interests of the Company.
29. To enter into any arrangement with any Government or authority, municipal, local or otherwise, or any person, whether company or association, partnership or individual, in India or abroad, that may seem conducive to the interest and objects of the Company or any of them and to obtain from any such Government, authority, persons or company any rights, privileges and concessions which the Company may think desirable and obtain and carry out, execute and comply with the same.

30. To guarantee the issue of or the payment of money or interest on the shares, debentures, debenture-stock or other securities or obligations of any company or association and to pay or provide for brokerage, commission and underwriting in respect of any such issues.
31. To guarantee the payment of money unsecured or secured or payable under or in respect of promissory notes, bonds, debentures, debenture-stock, contracts, mortgages, charges, obligations, instruments and securities of any company or any authority, supreme, municipal, local or otherwise or of any persons and generally to give guarantees or indemnities or become sureties.
32. To distribute among the members in specie any property of the Company or any proceeds of sale or disposal of any property of the Company in the event of winding up, but so that no distribution amounting to a reduction of the capital be made except with the sanction (if any) for the time being required by law.
33. To refer to arbitration and to institute, defend, compromise, withdraw or abandon any legal or other proceedings and claims by or against the Company, by or its officers or otherwise concerning the affairs of the Company.
34. To indemnify members, officers, directors, secretaries, agents and servants of the Company against proceedings, causes, damages, claims and demands in respect of anything done or ordered to be done by them for and in the interest of the Company or for any loss, damages or misfortune whatsoever, which shall happen in the execution of duties of their office or in relation thereto.
35. To carry on any other business whether manufacturing or otherwise that may seem to the Company capable of being conveniently carried on in connection with the above objects or calculated directly or indirectly to enhance the value of or render profitable any of Company's properties or rights or which it may be advisable to undertake with a view to improving, developing, rendering valuable or turning to account any property, real or personal, belonging to the Company or in which the Company may be interested.
36. To do all or any of the above things, either as principals, agents, trustees, contractors or otherwise, and either along or in conjunction with others, and either by or through agents, sub-contractors, trustees or otherwise, in connection with the business of the Company.
37. To do all such other things as may be deemed incidental or conducive to the attainment of the main object or any of them.

C. OTHER OBJECTS:

1. To carry on business as manufacturers, formulators, processors, producers, growers, fermentators, distillers, refiners, makers, importers, exporters, buyers, sellers, suppliers, stockist, agents, merchants, distributors and concessionaries or the dealers in acids and alkalies, salts, inorganic and organic compounds, solvents, compressed gases, coal, chemicals, petrochemicals, plastics, surface coatings, adhesives, fertilizers, pesticides, rubbers, cement, cryogenics, food additives, dyes and inks, intermediates, pulp and paper, cosmetics and fragrances, detergents and soaps, sanitary chemicals, propellants, explosives, pharmaceuticals, glass and ceramics, sugars and starches, fine chemicals, photographic chemicals, water purification salts and chemicals, pigments, vegetable tanning and extracts, petroleum products, fuel and industrial gases and all inorganic and organic chemicals and compounds of any kind, character and property which has been developed or known or which may be developed or invented in future as a result of any research done or studies made in any part of the world and which may be produced, manufactured or formulated by any of the chemical process, reactions or unit operations such as

alkylation, amination by reduction, ammonolysis, aromatization, calcination, carboxylation, causticization, combustion, condensation, concentration, dehydration, diazotization, double decomposition, distillation, electrolysis, esterification, fermentation, friedel crafts, filtration, halogenation, hydroformylation and synthesis of hydro carbons, hydrogenation, hydration and hydrolysis, isomerization, neutralization, nitration, oxidation, polymerization, pyrolysis or cracking reduction, silicate formation, sulfonation, saponification, alkali fusion or by any other chemical conversion, electrical conversion, physical operation or manipulation of either any raw-material from mines, forest, sea, air, farm, oil, brine, gas wells and animal substances or any product, by-products and residual substances from any chemical process and conversion into any marketable products, consumer goods entered directly into the economic life or as intermediates or chemicals for the manufacture of consumer items or as raw materials for further fabrication in other industries.

2. To carry on business as producers, manufacturers, processors, converters, refiners, makers, bottlers, stockists, dealers, importers, exporters, traders, retailers, agents, buyers or sellers of oxygen, acetylene, ammonia, nitrogen, hydrogen, coal gas, natural gas, helium and other types and kinds of gases, mineral, oil, motor and aviation spirit, diesel oil, kerosene, diverse hydrocarbon oils and their blends including synthetic fuels and lubricating oils required for or used in industries, agriculture, clinics, hospitals, refrigeration, aviation, transport vehicles, space rockets and crafts, communication objects and media, power plants, domestic or public lighting, heating, cooling or cooking purposes, lighters, plants producing water, chemicals or fuels, pesticide, defense or warfare establishments, horticulture, forest or plants protection and growth and other allied purposes and to service, repair, manufacture, market or deal in machinery, plants, spares, cylinders, containers, gadgets, appliances and accessories required for, working on, using or producing any of such gases, oils and products.
3. To carry on business as producers, importers, exporters, processors, manufacturers, buyers, sellers, distributors, stockists, agents and brokers of coal, coke, charcoal, lignite, petroleum coke, copper, iron ore, bauxite, kyanite, fire clay, china clay, salt, sodium chloride, calcium phosphate, nickel, beryllium, uranium, zinc, lead, asbestos, tin, alumina, mercury, silicon, sulphur, graphite, brass, aluminum, silica sand, bentonite, quartz, destriane, magnesite, dolomite, ferro-alloys, carborundum, manganese, mica, silver, gold, platinum, diamond, sapphire, ruby, topaz, garnet, emerald, pearl and other precious, semi precious or commercial mineral and stones and to act as metal founders, manufacturers, agents and dealers of metals, sheets, wires, rods, squares, plates, metal foils, pipes, tubes, ingots, billets, circles, parts, coils, utensils, ornaments, decorative and art materials and jewellery made wholly or partly from any one or more of the metals and material mentioned herein or their derivatives.
4. To carry on business as manufacturers, operators, dealers in, distributors, stockists, buyers, sellers, repairers, cleaners, importers, exporters or agents of motor cars, trucks, forklifts, lorries and carriages, motor cycles, mopeds, scooter, bicycles, tractors, earthmoving equipments, trailers and other vehicles, aircrafts, ships and other vessels drawn by power, railway locomotives and rolling stock, agricultural machinery and implements, pumps and machineries and spare parts, engines, motors, accessories, components, tools, ancillaries, batteries, glass panels and sheets, apparatus, fittings, furnishing materials, tyres, tubes, tyre valves, paints, lubricants, fuel oils, carbons, brushes, gas or other material used or required for such vehicles, implements or machines and to act as transporters of goods and passengers, traveling or clearing agents and to let out, hire or finance or hire-purchase system or otherwise automobile and other vehicles, implements, machines and any of the aforementioned products or things.

5. To carry on business as manufacturers, processors, re-rollers, refiners, smelters, converters, producers, exporters, importers, traders, dealers, distributors, stockists, buyers, sellers, agents or merchants in all kinds and form of ferrous and non-ferrous metals, ferro alloys, iron and steel including mild, high carbon, spring, high speed, tool, alloy, stainless and special steel, iron, metals and alloys ingots, billets, bars, joists, rods, squares, structurals, tubes, poles, pipes, sheets, castings, wires, rails, rolling materials, rollers, semi manufactured and other material made wholly or partly of iron, steel, alloys and metals required in or used for industrial, defence, agricultural, transport, commercial, domestic, building, power transmission and/or construction purposes.
6. To manufacture, deal in and process all kinds of medical and surgical instruments and appliances, industrial instruments including meters, weighing machines and devices for indicating, recording and regulating pressure, temperature, rate of flow, weights and levels, scientific instruments mathematical surveying and drawing instruments as well as items produced in miscellaneous mechanical and engineering industries like plastic moulded goods, hand tools, small tools and the like and razor blades.
7. To carry on business as manufacturers, fabricators, producers, importers, exporters, dealers, agents, stockists, retailers, traders or brokers of all kinds of foundry equipments, moulds, boxes, ingot moulds, material handling equipments, tools, machines tools, gadgets, accessories, spares and machinery including steam engines and turbines, internal combustion engines and other types of prime movers, industrial machinery especially for textiles, jute, rayon, sugar, tea, mining, metallurgical, cement, glass, chemicals, pharmaceutical and paper industries, general items of machinery such as equipments for various units, process including size reduction equipment, conveying equipment, size separation units, mixers and reactors, centrifugal machines, evaporators, distillation equipment, crystallisers, driers, power driven pump, reciprocating, centrifugal and the like, air and gas compressors and vacuum pipes, electrical furnaces, refrigeration and fire fighting equipment, high tensile bolts and nuts, expanded metal, fishing hooks and tackle grinding wheels, segments and media, pins and malleable castings.
8. To carry on the business as iron-masters, iron founders, iron workers, steel makers, electric and blast furnace proprietors, brass founders and metal makers, refiners and workers generally as iron and steel converters, smiths, tin plate makers, manufacturers of industrial, agricultural and other fittings, parts and all kinds of machineries, tools and implements, boiler and steam generating plant makers and metallurgists.
9. To carry on the business of electric, gas and water supply in all its branches and in particular to construct, lay down, establish, fix and carry out all necessary power stations, cables, wires, lines, pipes, accumulators, lamps and works and to generate, develop and accumulate electrical and gas power at places for which licence may be obtained and to transmit, distribute and supply such power throughout the area of supply named therein and without prejudice to the generality of the above, to transmit, distribute and supply such power to and for the purpose of feeding the plants of the Company and generally to generate, develop and accumulate power at any places and to transmit, distribute and supply such power for all lawful purposes.
10. To manufacture produce, buy, sell, import, export, stock and deal in machine tools, grinding machines, automatic lathes, drilling machines, planning machines, planogrinders, machinery of every description, precision tools, cutting and small tools, electric motors, electrical equipments, equipments for generation, transmission and distribution of electricity, electric motors, cables, wires, conductors, switch-gears, flame and drip proof motors, electric fans, regulators of all types, electric kilowatt hour meters, magnets, industrial

jewels, ammeters, voltmeters and other types of measuring instruments, electrical or non-electrical, die castings, screws, nuts and bolts, transformers of all types, circuitbrakers, hoists, elevators, gears, trolleys and coaches, winches, air-compressors, welders, refrigerators, domestic washing machines, telephones, teleprinters, public address equipment, lightning arrestors, rotavators, radar equipments, valves, resistors, electric equipment and instruments, conductors, magnetic materials, transistors and allied items.

11. To manufacture, export, import, buy, sell and deal in voltaic battery cells, power pack or storage batteries and battery containers and battery eliminators of different types required for or used in domestic, household, industrial commercial, agricultural, mining, hospital, surgical or scientific appliances, machinery, apparatus or accessories and railways tramways, automobile and other vehicles, aircrafts, boats, ships, defence establishments, army, navy and airforce, for wireless, radios, torches, toys, electronic equipment or otherwise and also to carry on business as manufacturers of and dealers in torch, toys, personal aids and other appliances working on such batteries and such items and goods, which may be useful.
12. To carry on business as manufacturers, producers, dealers in, traders, importers, exporters, stockists, distributors or agents of GLS lamps, electric bulbs, miniature bulbs, tube lights, flood lights, mercury vapour bulbs and other type or types of bulbs, lamps or tubes required or used for lighting or for industrial, domestic, electronics, transport vehicles or commercial purposes and glass shells, fittings, tubes, filaments, tungsten and molybdenum wires, caps and other materials, machineries, accessories and spares required or used for manufacture of bulbs, lamps or tubes.
13. To carry on the business of manufacturers, fabricators, processors, producers, growers, makers, importers, exporters, buyers, sellers, suppliers, stockists, agents, merchants, distributors and concessionaries of and dealers in ammonium sulphate, nitrate (double salt), ammonium nitrate, calcium ammonium nitrate (nitroline stone), ammonium chloride, super phosphate, urea and other type of organic or inorganic or mixed fertilisers of synthetic or natural origin containing nitrogen, phosphorous or other compounds, soda ash, insecticides, PVC stabilisers, preservatives, pesticides and D.D.T., explosives, arms and ammunition, detonators and safety fuses.
14. To produce, manufacture, purchase, refine, prepare, import, export, sell and generally deal in cement, portland cement, alumina cement, asbestos cement, lime and limestone and by-products thereof, cement pipes, sheets and other building materials, refractories, fire-bricks, furnace lining bricks, acidic, basic and neutral insulating boards, gypsum boards, and the like.
15. To manufacture, buy, sell, export, import, deal in, assemble, fit, repair, convert, overhaul, alter, maintain and improve all types of electronic components, devices, equipments and appliances, equipments such as televisions and wireless apparatus including radio receivers and transmitters, tape-recorders, broadcast relay and reception equipments, phonographs and other equipments used in and/or for audio and visual communications, apparatus and equipments including those using electromagnetic waves intended for radio-telegraphic or radio-telephonic communication, photocopiers, electronic lighting controls, continuous fan/motor speed controls, continuous flashers and fire alarm systems, digital and other electronic clocks, time relays punch card machines, electromechanical pneumatic controls, computers and automatic calculators, X-ray machines and tubes, surgical, medical and other appliances intended for electro and other therapy treatment and in all types of paper, magnetic and otherwise photographic films, projectors and cameras and in capacitors, resistance, condensers, semi-conductors, transistors, rectifiers, integrated and hybrid

circuits, relays, potentiometers, connectors, printed circuits, coils, chokes, transformers, switches, volume controls, plugs, sockets, aerial gears, diodes and allied items intended for and used in electronic devices and in air conditioners, refrigerators, washing machines, heaters and cooking ranges and other types of domestic appliances and any type of equipment used in the generation, transmission and receiving of sound, light and electrical impulses and components parts thereof and other materials used in or in connection with electronic and electrical industries.

16. To carry on the business of manufacturers, importers, exporters, purchasers, sellers and dealers in all kinds and classes of paper, board, corrugated board, corrugating medium and pulp including writing paper, printing, absorbent paper, newsprint paper, wrapping paper, tissue paper, cover paper, blotting paper, filter paper, antique paper, ivory finish paper, coated paper, art paper, bank or bond paper, badami, brown or buff paper, bible paper, cartridge paper, cloth lined paper, azure laid and wove paper, cream laid and wove paper, grease proof paper, gummed paper, hand-made paper, parchment paper, drawing paper, kraft paper, manilla paper, envelop paper, tracing paper, vellum paper, water proof paper, carbon paper, sensitised paper, chemically treated paper, paste board, duplex and triplex board, hard board, plywood board, post card, visiting cards, soda-pulp, mechanical pulp, sulphite pulp, semi-chemical pulp and all kinds of articles in the manufacture of which in any form paper, board or pulp is used and also to deal in or manufacture any other articles or things of a character similar or analogous to the foregoing or any of them or connected therewith and to purchase or otherwise acquire, settle, improve and cultivate forests, lands and properties of any tenure with a view to producing, cultivating, growing timber, bamboo or other wood.
17. To carry on business as manufacturers, dealers, processors, importers, exporters, stockist, agents, contractors, distributors, buyers or sellers of packages, containers, cans, drums, bottle tops, crown corks, bags, pressed metal wares, pilfer proof caps, metal closures, screw caps, boxes, wrappers, tape films, sheets, laminates and other packing materials made of paper, card-board, corrugated sheets, cloth, hessian, timber, teak, plywood, metal, plastic, P.V.C. or other synthetic, chemical, fibrous or natural products.
18. To carry on business as printers and publishers including of newspapers, books and journals as well as producers, distributors, importers, exporters, exhibitors and financiers of cinematograph films and to manufacture, own, acquire, provide, secure, arrange or deal in films and photographic paper and equipment, cameras, sound recording, musical, lighting appliances, instruments, equipments and machines and to construct, establish, own, hire or otherwise acquire and to manage, let out for rent, fee, monetary gain or otherwise, studios, laboratories, theatres, buildings, halls, open air theaters, bars, restaurants and other building or work required for the purpose of production, distribution or exhibition of the films, operas, stage plays, dances, operettas, burlesques, vaudeville, revues, ballets, pantomimes, spectacular pieces, promenade, concert, circus or other performances and entertainments and to act as dealers, importers, exporters of musical instruments and records, tapes, cinema and films projectors and cameras, wigs and other products or materials related or connected with the aforesaid object and business and to acquire exclusive or limited rights to any play, story, script, musical song and lyric, book article or any technique by producing, purchasing or otherwise acquiring and to use, exercise, develop or exploit or turn to account such rights for the business of the Company and to act as agent for training, retaining, arranging and supplying artists, stars, art directors, script or story-writers, technicians, extras and other personnel required by the Company or others for film, cinema or show business.

19. To produce, manufacture, refine, prepare, process, purchase, sell, import, export or generally deal in sand, stone, marble, tiles, china wares, sanitary materials, pottery, insulator tiles, glass, hollow ware, optical glass, glass wool, laboratory ware and other miscellaneous glass ware, lindeum pipes, tubes, tubular structures, panes, adhesives, sheets, roofings, glass, furniture, fittings, electricals goods, water supply or storage equipments, floor polish, door closers, concrete mixers, elevators and building or decorative materials made of cement, stone, clay, timber, teak, board, fibre, paper glass, rubber, plastic or other natural or synthetic substance or chemical.
20. To carry on business of manufacturers, fabricators, processors, producers, growers, makers, importers, exporters, buyers, sellers, suppliers, stockists, agents, merchants, distributors and concessionaires and of dealers in commodities of all or any of the following kinds:-
 - (a) Drugs, medicines, chemicals, mixtures, powder, tablets, capsules, injections, oils, compounds, creams, scents, glycerine, detergents, glue, gelatine, soaps, lotions, toilet goods, pigments and all kinds of pharmaceutical, cosmetic and medicinal preparations required or used for beauty aid or personal hygiene or in allopathic, ayurvedic, unani or natural cure methods or systems of treatments, bandages, cotton, gauzes, crutches, stretchers and all kinds of anatomical, orthopaedic and surgical appliances and stores including prophylactics.
 - (b) Boots, pickers, shoes and footwear of all kinds made of leather, rubber, canvas, plastic or any other synthetic or natural product, water proof cloth or compound, leather, hides, skins, vegetable tanning extracts, tannic acids, rexin, rubber, plastic or synthetic cloth, compounds or granules, lasts, boot trees, buckles, legging, gaiters, heels, laces, boot polishes, protectors, accessories and fittings used in or required for footwears.
 - (c) Writing pen, pencils, fountain pen, ball point pen, sign pen, colour pencils, tubes and tablets, pins, erasers, ink, clips, rulers, paper, pulp, newsprints, board, envelopes, cards, dies, letter-heads, forms, files, stamps, books bags, cases, covers, racks, cabinets, numerical printers, adhesive tapes, gums, air conditioners and refrigerators, vacuum cleaners, sewing and knitting machines, hurricane lanterns, cutlery, watches and clocks, tape recorders, vacuum flasks, toys, waterproof materials, duplicators, typewriters, computers, calculators, accountings and inter-communication machines and all kinds of office, domestic, industrial and educational appliances, stationery, equipments, furniture, instruments, gadgets, devices and stores and their components.
21. To manufacture, process, import, export, buy, sell and deal in vanaspati, oil, de-hydrated vegetable oils made or processed or solvent extracted from seeds, cotton seeds, coconut, products of plantations, horticulture, agriculture and forest produce and oil cakes and to get vanaspati, soaps and lubricants made from such oils or as by products thereof.
22. To carry on business as timber merchants, saw mill proprietors and timber growers, and to buy, sell, grow, prepare for market, manipulate, import, export and deal in timber, teak, plywood, hardboard, fire wood and wood of all kinds and to manufacture and deal in items where plywood or other wood is used including matches, bobbins and shuttles and to buy, clear, plant and work timber estates.
23. To carry on the business of manufacturers, fabricators, processors, producers, growers, makers, importers, exporters, buyers, sellers, suppliers, stockists, agents, merchants, distributors and concessionaires of and dealers in flour, cakes, pastry, cornflakes, bread, biscuits, chocolates, confectionery, sweets, fruit drops, sugar, glucose, chewing gums, milk, cream, ice, ice-cream, aerated or mineral waters, fruits juices, wines, liquors and

other alcoholic drinks and fermentations products, canned fruits and fruit products, milk and malted food, cigarettes, cigars, protein foods, maize product, butter, ghee, cheese and other dairy products, pickles, jams, jellies, sausages, cider, poultry and eggs, pulses, spices, oils, powder and condensed milk, honey, fresh and dehydrated vegetables, coffee, tea, cocoa, seeds, concentrate for cattle or poultry feed, fruits and all kind of processed foods as well as materials required or used for preparation of or being food articles.

24. To acquire by purchase, lease, exchange, hire or otherwise develop or operate land, buildings and hereditaments of any tenure or description and any estate or interests therein and any right over or connected with land and buildings so situated and develop or to turn the same to account as may seem expedient and in particular by preparing building sites and by constructing, reconstructing, altering, improving, decorating, furnishing and maintaining hotels, rooms, inns, flats, houses, restaurants, markets, shops, workshops, mills, factories, warehouse, cold storage, wharves, godowns, offices, safe deposit vaults, hostels, gardens, swimming pools, playground, building, works and conveniences of all kinds and by leasing, hiring or disposing of the same.
25. To manage land, building and other properties, whether belonging to company or not and to collect rents and income and to supply tenants and occupiers and other refreshments, attendants, light, waiting rooms, reading rooms, meeting rooms, electric conveniences and other advantages.
26. To cultivate, plant, bring, buy, sell, prepare, convert, process, treat or manipulate in any manner all kinds of tobacco leaves, jute, cotton, hemp, tea, lac, coffee, cinchona, rubber, sugarcane, dal, oilseeds vegetable products, food grains and all other products of the soil, to run sheep and other cattle and poultry breeding farms and to carry on the business of fishing for prawns lobsters, fish and other produce of water.
27. To carry on business as transporters of goods, passengers, livestock and materials by road, rail, waterways, sea or air and to own purchase take or give on lease charter or hire or otherwise run, use or acquire transport vehicles, crafts, ships and carriers of all kinds required for the transport business and to act as forwarding agents, warehousemen and booking agents.
28. To organise, run, maintain, operate, promote the business of interior decorators, furniture and carpet designers and manufacturers of boutiques, operators of fashion centre, fashion shows and to make, acquire, export or deal in any way in handicrafts objects of art, precious stones, jewellery, whether artificial or otherwise and articles wherein precious metals or precious stones may be used and to manufacture and deal in any products as are dealt in by boutiques, fashion shows and interior decorators.
29. To carry on in India or abroad the business of hotels, restaurants, cafes, holiday camps, taverns, bars, beer-houses, refreshment rooms, night clubs, cabarets and swimming pools and turkish bath and lodging or apartment house keepers, licensed victuallers, wine, beer and spirit merchants, bakers and confectioners, importers and manufacturers of aerated, mineral and artificial waters and other drinks, fruit juices, cheese, butter, purveyors, caterers for public generally, taxi, coach, cab, motor car and motor lorry proprietors, livery, stable and garage proprietors, farmers, dairymen, ice merchants, importers and brokers of food live and dead stock, colonial and foreign products of all descriptions, hair dressers, perfumers, chemists, proprietors of clubs, baths, bars, dressing rooms, laundries, reading, writing and newspapers rooms, libraries, grounds and places of amusement, recreation, sports, entertainment and instruction of all kinds, tobacco, cigar and other allied products, agents for railways, shipping and airline companies and carriers and theatrical and operabox office proprietors.

30. To carry on business as organisers, agents, holders, dealers of or investors in saving units, lottery tickets, raffle, chitfund unit or units issued by the Unit Trust of India and to mobilize savings from members of the Company or public, to invest and deal with the funds available with the Company as may be deemed fit from time to time and to pay, allow, give or distribute interest, dividends, prizes or gifts on or in relation to any such unit or units not amounting to lotteries.
31. To export, import, buy, sell, barter, exchange, pledge, make advance upon, invest in and otherwise deal in gold, silver, stocks, shares, securities, jute, seeds, handicrafts and articles, produce and merchandise of all kinds and description either ready or for forward delivery as permissible by the objects of the Company and to make loans and advances and finance on hire purchase basis.
32. To carry on the business as manufacturers, formulators, processors, producers, growers, fermentators, distillers, refiners, makers, importers, exporters, buyers, sellers, suppliers, stockists, agents, merchants, distributors and concessionaries of and dealers in synthetic fibres, manmade fibres, natural and synthetic textiles and textile materials, polyfibres and films, polyamide or nylon fibres, nylon intermediates, acrylics and monoacrylics, vinyl and vinylidiness, spandez, polyolefins, fluorocarbons, glass fibres, cellulosic fibres and films rayon and acetate, viscose, cellulose, acetate, staple fibres, plasticizers, stabilizers and finishing and dyeing of textiles.
33. To carry on business of manufacturers, fabricators, processors, producers, growers, makers, importers, exporters, buyers, sellers, suppliers, stockists, agents, merchants, distributors and concessionaries of and dealers in phenol, synthetic rubber, elastomers, synthetic resins, carbon black, rubber latex, plastics and formulations thereof including reclaimed rubber, natural rubber, elastics, resins, compounds and other products, petrochemicals, calcium carbide, styrene, butadiene, ethylene, ethyl alcohol, petroleum fractions, inorganic chemicals, organic chemicals, fine chemicals including photographic chemicals, paints, varnishes and enamels, coke over by-products, coal tar, distillation products like naphthalene, anthracene, benzene and the like, phthalic anhydride, asbestos, paper and special jointing material, graphite and silicon carbide crucibles, aluminum fluoride, bromine, electrodes including graphite electrodes, arc welding rods, calcined petroleum coke, salt and allied products, caustic soda, chlorine, thermosetting and thermoplastics and compounding agents and additives thereof, caprolactum and allied chemicals, amines and plasticizers, enzymes, acids, amino acids, sulphates and other synthetic chemicals, and chemical substances basic, intermediate, finished or otherwise.
34. To render engineering, technical, management and other types of skilled and other services to all types of industries or organizations in India or abroad including for office, advertising, accounting, computer, secretarial and taxation matters and without limiting the generality of the above to act as consultants.

IV The liability of members is limited.

- *V. The Authorised Share Capital of the Company is Rs. 2,75,00,00,000/- (Rupees Two Hundred Seventy Five Crore only) divided into 27,50,00,000/- (Twenty Seven Crore Fifty Lakh) Equity Shares of Rs.10/- (Rupees Ten) each.**

** As per Resolution passed through Postal Ballot, dated 14th February 2019.*

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

| Names, Description, Occupation and addresses of Subscribers | Number and type of Shares Equity Shares | Signature of Subscribers | Signature of witness with address and occupation |
|---|---|--------------------------|--|
| 1. Om Prakash Lohia S/o Shri Mohan Lal Lohia R-69 G. Kailash-I New Delhi-110048 (Industrialist) | One | Sd/- | Sd/- Raj Kumar Agrawal S/o Shri Sita Ram Agrawal B-44, Ashok Vihar, Phase-I, Delhi-110052 Chartered Accountant |
| 2. Om Prakash Goyal S/o Late Chhabildassji 35, Nizamuddin-East New Delhi-110013 (Industrialist) | One | Sd/- | |
| 3. Uma Shankar Goenka S/o Late Jagmohan Goenka D-2, Maharani Bagh New Delhi-110065 (Industrialist) | One | Sd/- | |
| 4. Surendra Singh Surana S/o Pratap Singh Surana E-125 Masjid Moth New Delhi-110048 (Chartered Accountant) | One | Sd/- | |
| 5. Ashok Kumar Ladha S/o Late B.D. Ladha A/44, N.D.S.E. II, New Delhi (Business Executive) | One | Sd/- | |
| 6. Urmila Lohia W/o Shri O.P. Lohia R-69, G. Kailash-I New Delhi (House Wife) | One | Sd/- | |
| 7. Kishan Kumar Mittal S/o Shri Maliram Mittal C/18, G.K. Part I New Delhi-110048 (Business) | One | Sd/- | |
| Total | Seven | | |

New Delhi

Dated this 15th Day of April, 1986.

***ARTICLES OF ASSOCIATION**
OF
INDO RAMA SYNTHETICS (INDIA) LIMITED

The Articles consist of two parts, Part “A” and Part “B”. The provisions of Part “A” shall apply to all the matters to which they pertain, to the extent, and only in so far, as they are not inconsistent with the special provisions of Part “B”. As long as Part “B” remains a part of the Articles, in the event of any conflict or inconsistency, the provisions of Part “B” shall prevail over the provisions of Part “A”.

PART “A”

I. CONSTITUTION OF THE COMPANY

1. INDO RAMA SYNTHETICS (INDIA) LIMITED was incorporated in accordance with and subject to the provisions of the Companies Act, 1956, but none of the Regulations contained in the Table marked “F” in Schedule I to the Companies Act, 2013, shall be applicable to the Company except so far as the said Act or any modification(s) there otherwise expressly provides.

*Table “F”
not to apply*

The Regulations for the management of the Company and for the observance by the members thereto and their representatives, shall, subject to any exercise of the statutory powers of the Company with reference to the deletion or alteration of or addition to its regulations by resolution as prescribed or permitted by the Companies Act, 2013, be such as are contained in these Articles.

*Company to be
governed by
these Articles*

II. INTERPRETATION

2. (a) In the interpretation of these Articles, the following words and expressions shall have the following meanings, unless repugnant to the subject or context:
- (i) ‘Alter’ and ‘Alteration’ shall include the making of additions and omissions.
 - (ii) ‘Auditors’ means those Auditors appointed under the said Act.
 - (iii) ‘A Company’ means a Company as defined under Section 2(20) of the Act.
 - (iv) ‘Any Company’ means (a) a Holding, Subsidiary or an Associate Company of such Company; or (b) a Subsidiary of a Holding Company to which it is also a Subsidiary.
 - (v) ‘Board’ means the Directors of the Company collectively, and shall include a committee thereof.

*Interpretation
Clause*

“Alter”

“Auditors”

“A Company”

“Any Company”

“Board”

** The new set of Articles of Association adopted by Special Resolution passed by the Members of the Company at the 34th Annual General Meeting held on 26th August 2020, through VC/OAVM*

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| <i>“Body Corporate” or “Corporation”</i> | (vi) ‘Body Corporate’ or ‘Corporation’ includes a Company incorporated outside India, but does not include, (1) a Co-operative Society registered under any law relating to Co-operative Societies, (2) any other body corporate which the Central Government may by notification in the Official Gazette specify in that behalf. |
| <i>“The Company” or “This Company”</i> | (vii) ‘The Company’ or ‘This Company’ means INDO RAMA SYNTHETICS (INDIA) LIMITED established as aforesaid. |
| <i>“The Companies Act, 2013” or “The said Act” or “The Act”</i> | (viii) ‘The Companies Act, 2013’, ‘The said Act’ or ‘The Act’ and reference to any section or provisions thereof respectively means and includes the Companies Act, 2013 (Act No. 18 of 2013) and any statutory modification thereof for the time being in force, and reference to the section or provisions of the said Act or such statutory modification(s). |
| <i>“Debenture”</i> | (ix) ‘Debenture’ includes Debenture Stock, Bonds or any other instrument of a Company evidencing a debt, whether constituting a charge on the assets of the Company or not. |
| <i>“Directors”</i> | (x) ‘Directors’ means a director appointed to the Board of the Company. |
| <i>“Dividend”</i> | (xi) ‘Dividend’ shall include interim dividend. |
| <i>“Document”</i> | (xii) ‘Document’ includes summons, notice, requisition, order, declaration, form and register, whether issued, sent or kept in pursuance of this Act or under any other law for the time being in force or otherwise, maintained on paper or in electronic form. |
| <i>“Executor” or “Administrator”</i> | (xiii) ‘Executor’ or ‘Administrator’ means a person who has obtained probate or Letters of Administration, as the case may be, from a competent Court, and shall include the holder of a Succession Certificate authorising the holder thereof to negotiate or transfer the share or shares of the deceased members, and shall also include the holder of a Certificate granted by the Administrator - General of any State in India. |
| <i>“Financial Statement”</i> | (xiv) ‘Financial Statement’ means: <ul style="list-style-type: none"> (i) a balance sheet as at the end of the financial year; (ii) a profit and loss account, or in the case of a Company carrying on any activity not for profit, an income and expenditure account for the financial year; (iii) cash flow statement for the financial year; (iv) a statement of changes in equity, if applicable; and (v) any explanatory note annexed to, or forming part of, any document referred to in sub-clause (i) to sub-clause (iv). |

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| (xv) 'In writing' or 'Written' shall include email, and any other form of electronic transmission. | <i>"In writing"</i> |
| (xvi) 'Independent Director' shall have the meaning ascribed to it in the Act. | <i>"Independent Director"</i> |
| (xvii) 'Key Managerial Personnel' means the Chief Executive Officer or the Managing Director; the Company Secretary; Whole-time Director; Chief Financial Officer; and such other Officer as may be notified from time to time in the Rules. | <i>"Key Managerial Personnel"</i> |
| (xviii) 'Month' means calendar month. | <i>"Month"</i> |
| (xix) 'National Holiday' means the day declared as national holiday by the Central Government. | <i>"National Holiday"</i> |
| (xx) 'Office' means the Registered Office for the time being of the Company. | <i>"Office"</i> |
| (xxi) 'Ordinary Resolution' and 'Special Resolution' shall have the meanings assigned to these terms by Section 114 of the Act. | <i>"Ordinary Resolution" and "Special Resolution"</i> |
| (xxii) 'Rules' means any rule made pursuant to Section 469 of the Act or such other provisions pursuant to which the Central Government is empowered to make rules, and shall include such rules as may be amended from time to time. | <i>"Rules"</i> |
| (xxiii) 'Secretary' is a Key Managerial Personnel appointed by the Directors to perform any of the duties of a Company Secretary. | <i>"Secretary"</i> |
| (xxiv) 'Shareholders' or 'Members' means the duly registered holder from time to time of the shares of the Company, and shall include beneficial owners whose names are entered as a beneficial owner in the records of a depository. Such of the Articles of the Company (other than relating to share warrants) as are applicable to paid-up shares shall apply to stock and the words 'Share' and 'Shareholder' therein shall include 'Stock' and 'Stockholder', respectively. | <i>"Shareholders" or "Members"</i> |
| (xxv) 'The Seal' means the Common Seal of the Company for the time being. | <i>"The Seal"</i> |
| (b) 'These presents' means and includes the Memorandum and these Articles of Association. | <i>"These presents"</i> |
| (c) Words importing the singular number include, where the context admits or requires the plural number and <i>vice-versa</i> . | <i>Singular Number</i> |
| (d) Words importing the masculine gender also include the feminine gender. | <i>Gender</i> |
| (e) Words importing persons shall, where the context requires, include bodies corporate and companies as well as individuals. | <i>Persons</i> |
| (f) Subject as aforesaid, any words and expressions defined in the said Act as modified up to the date on which these Articles become binding on the Company shall, except where the subject or context otherwise requires, bear the same meanings in these Articles. | <i>Words and expressions defined in the Companies Act, 2013</i> |

Marginal Notes and other Headings

(g) The marginal notes and the headings given in these Articles shall not affect the construction hereof.

Copies of the Memorandum and Articles to be furnished

3. The Company shall, on being so required by a Member, send to him within seven days of the requirement and subject to the payment of a fee of Rs. 100/- or such other fee as may be specified in the Rules for each copy of the documents specified in Section 17 of the said Act.

III. SHARE CAPITAL, VARIATION OF RIGHTS & BUY BACK

Capital and shares

4. The Authorised Share Capital of the Company shall be such amount and be divided into such shares as may from time to time, be provided in clause V of Memorandum of Association, with power to Board of Directors to reclassify, subdivide, consolidate and increase and with power from time to time, to issue any shares of the original capital or any new capital with and subject to any preferential, qualified or special rights, privileges, or conditions may be, thought fit and upon the sub-division of shares to apportion the right to participate in profits, in any manner as between the shares resulting from sub-division.

If and whenever the capital of the Company is divided into shares of different classes, the rights of any such class may be varied, modified, affected, extended, abrogated or surrendered as provided by the said Act or by Articles of Association or by the terms of issue, but not further or otherwise.

Provisions of Sections 43 and 47 of the Act to apply

5. The provisions of Sections 43 and 47 of the Act in so far as the same may be applicable to issue of share capital shall be observed by the Company.

Restrictions on Allotment

6. The restrictions on the allotment of shares imposed by Sections 39 and 40 of the said Act so far as those restrictions are binding on the Company and shall be observed by the Company.

Commission for placing shares

7. (1) (i) The Company may at any time pay a commission to any person in consideration of his subscribing, or agreeing to subscribe (whether absolutely or conditionally) for any shares in or debentures of the Company or procuring or agreeing to procure subscription (whether absolute or conditional) for any shares in or debentures of the Company and the provisions of Section 40 of the said Act shall be observed and complied with. Such commission shall not exceed the maximum permissible rate as prescribed in the Rules. Such commission may be paid in cash or by the allotment of Securities.

(ii) Company shall not pay any commission to any underwriter on securities which are not offered to public for subscription.

(iii) The number of shares or debentures which persons have agreed to for commission to subscribe absolutely or conditionally is disclosed in the manner aforesaid.

(2) Nothing in this clause shall affect the power of the Company to pay such brokerage as it may consider reasonable.

- (3) A Vendor to, promoter of, other person who receives payment in shares, debentures or money from the Company shall have and shall be deemed always to have had power to apply any part of the shares, debentures or money so received in payment of any commission the payment of which, if made directly by the Company, would have been legal under this Articles.
- (4) The commission may be paid or satisfied (subject to the provisions of the Act and these Articles) in cash or in shares, debentures or debenture stock of the Company, (whether fully paid or otherwise) or in any combination thereof.
8. Except as provided by the Act, the Company shall not, except by reduction of capital under the provisions of Section 66 or Section 242 of the said Act, buy its own shares nor give, whether directly or indirectly, and whether by means of a loan, guarantee, provision of security or otherwise any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person of or for any shares in the Company or in its holding Company. Provided that nothing in this Article shall be taken to prohibit:
- Company not to give financial assistance for purchase of its own shares*
- 8.1 (i) the provision of money in accordance with any scheme approved by the Company through Special Resolution and in accordance with the requirements specified in the relevant Rules, for the purchase of, or subscription for, fully paid up Shares in the Company, if the purchase of, or the subscription for the Shares held by trustees for the benefit of the employees or such Shares held by the employee of the Company;
- (ii) the giving of loans by the Company to persons in the employment of the Company other than its Directors or Key Managerial Personnel, for an amount not exceeding their salary or wages for a period of six months with a view to enabling them to purchase or subscribe for fully paid up Shares in the Company to be held by them by way of beneficial ownership. Nothing in this clause shall affect the right of the Company to redeem any shares issued under Section 55.
- 8.2 Notwithstanding what is stated in Articles 8.1 above, subject to Section 68 and to such other conditions, approvals or consents as may be laid down for the purpose, the Company shall have the power to buy-back its own shares, whether or not there is any consequent reduction of Capital. If and to the extent permitted by Law, the Company shall also have the power to re-issue the shares so bought back.
- Buy back of Shares*
9. The Company shall have power to issue Securities at a premium and shall duly comply with the provisions of Section 52 of the said Act.
- Issue of Securities at a Premium*
10. (1) The Company may, subject to the provisions of Section 55 of the said Act, issue preference shares which are liable to be redeemed and may redeem such shares in any manner provided in the said section and may issue shares up to the nominal
- Issue of redeemable preference shares*

amount of the shares redeemed or to be redeemed. Where the Company has issued redeemable preference shares the provisions of the said section shall be complied with. The manner in which such shares shall be redeemed, shall be as provided by Article 80 unless the terms of issue otherwise provide.

Issue of Share Warrants

- (2) Subject to the provisions of the Companies Act, 2013 and subject to any directions, which may be given by the Company in General Meeting, the Directors may issue Share Warrants in such manner and on such terms and conditions as the Board thinks fit.

IV. SHARES AND SHAREHOLDERS

Register of Members

11. (1) The Company shall cause to be kept and maintained the following registers namely:
- (a) Register of members indicating separately for each class of equity and preference shares held by each member residing in India or outside India;
 - (b) Register of debenture-holders;
 - (c) Register of any other security holders; and
 - (d) Including an index in respect of each of the registers to be maintained in accordance with Section 88 of the Act.
- (2) The Company shall also comply with the provisions of Section 92 of the Act as to filing Annual Returns.
- (3) The Company shall duly comply with the provisions of Section 94 of the Act in regard to keeping of the Registers, Indexes, copies of Annual Returns and giving inspection thereof and furnishing copies thereof.

Shares to be numbered progressively

12. The shares in the capital shall be numbered progressively according to their several classes.

Shares at the disposal of the Directors

13. Subject to the provisions of the said Act and these Articles, the shares in the capital of the Company for the time being (including any shares forming part of any increased capital of the Company) shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any one of them to such persons on such proportion and on such terms and conditions and either at a premium or at par or (subject to compliance with the provisions of Section 54 of the Act) at a discount and at such times as they may from time to time think fit and proper and with the sanction of the Company in General Meeting to give to any person the option to call for or be allotted shares of any class of the Company either at par or at premium or subject aforesaid at a discount during such time and for such consideration and such option being exercisable at such times as the Directors think fit and may allot and issue shares in the capital of the Company in lieu of services rendered to the Company or in the conduct of its business; and any shares which may be so allotted may be issued as fully paid up shares, and if so issued shall be deemed to be fully paid up shares.

14. (1) The shares or other interest of any member in the Company shall be movable property transferable in the manner provided by the Articles of the Company. *Every share transferable, etc.*
- (2) Each share in the Company having a share capital shall be distinguished by its appropriate number.
- (3) Certificates of Shares: A certificate under the Seal of the Company specifying any shares held by any Member shall be *prima-facie* evidence of the title of the Member to such shares.
15. (1) Where the Company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the value of the premiums on those Shares shall be transferred to an amount to be called "the securities premium account", and the provisions of the Act relating to the reduction of the Share Capital of a Company shall except as provided in this clause, apply as if the securities premium account were paid-up share capital of the Company. *Application of premiums received on issue of shares*
- (2) The securities premium account may be applied by the Company for the purposes permissible pursuant to the Act.
16. The Company shall comply with the provisions of Section 62 of the Act with regard to increasing the subscribed capital of the Company. *Further issue of capital*
17. If and whenever as the result of issue of new shares or any consolidation or subdivision of shares, any shares become held by members in fractions the Directors shall subject to the provisions of the Act and the Articles and to the directions of the Company in general meeting, if any, sell those shares which members hold in fractions for the best price reasonably obtainable and shall pay and distribute to and amongst the members entitled to such shares in due proportion, the net proceeds of the sale thereof. For the purpose of giving effect to any such sale the Directors may authorise any person to transfer the shares sold to the purchaser thereof comprised in any such shall not be bound to see to the application of the purchase money nor shall his title to the shares be effected by any irregularity or invalidity in the proceedings in reference to the sale.
18. An application signed by or on behalf of an applicant for shares in the Company followed by an allotment of shares therein, shall be an acceptance of shares within the meaning of these Articles. The Directors shall comply with the provisions of Sections 39 and 40 of the Act so far as applicable. *Acceptance of shares*
19. The money (if any) which the Directors shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposits, calls or otherwise in respect of any shares allotted by them, shall, immediately on the inscription of the name in the Register of Members as the holder of such shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly. *Deposit and call, etc., to be a debt payable immediately*
20. Where any calls for further share capital are made on shares, such calls shall be made on a uniform basis on all shares, falling under the same class. *Calls on shares of the same class to be made on uniform basis*

Explanation:- For the purpose of this provision shares of the same nominal value on which different amounts have been paid up shall not be deemed to fall under the same class.

- Return of allotment* 21. The Directors shall cause to be made the returns as to all allotments from time to time made in accordance with the provisions of Section 39 of the said Act.
- Installments on shares to be duly paid* 22. If, by the conditions of allotment of any shares the whole or part of the amount or issue price thereof shall be payable by installments, every such installment shall, when, due, be paid to the Company by the person who for the time being and from time to time shall be of the shares or his legal representative.
- Liability of Members* 23. Every member, or his executors or administrators or other representative, 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 Directors shall, from time to time, in accordance with the Company's regulations, require or fix for the payment thereof.
- Liability of Joint-holders* 24. If any share stands in the names of two or more persons all the joint-holders of the share shall be severally as well as jointly liable for the payment of all deposits, installments, and calls due in respect of such shares, and for all incidents thereof according to the Company's regulations; but the persons first named in the Register shall, as regards service of notice, and all other matters connected with the Company, except the transfer of the share and any other matter by the said Act or herein otherwise provided, be deemed the sole holder thereof.
- Registered holder only the owner of the shares* 25. Save as herein or by laws otherwise expressly provided, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof, and accordingly shall not, except as ordered by a Court of competent jurisdiction, or as by statute required, be bound to recognize any benami trusts whatsoever or equitable, contingent, future, partial or other claim to or interest in such share on the part of any other person whether or not it shall have express or implied notice thereof; the Directors shall, however be at liberty, at their sole discretion, to register any share in the joint names of any two or more persons, and the survivor or survivors of them.

V. CERTIFICATES

- Certificate of Shares* 26. Subject to any statutory or other requirement having the force of law governing the issue and signatures to and sealing of certificate to shares and applicable to this Company for the time being in force the certificate of title to shares and the duplicate thereof when necessary shall be issued under the seal of the Company which shall be affixed in the presence of and signed by (1) two Directors or persons acting on behalf of the Directors under a duly registered power of attorney and (2) the Secretary or some other person appointed by the Board for the purpose; a Director may sign a share certificate by affixing signature thereon by means of any machine, equipment or other mechanical means such as engraving in metal or lithography but not by means of a rubber stamp, provided that the Director shall be responsible for the

safe custody of such machine, equipment or other materials used for the purpose.

27. (1) (i) Every member shall be entitled without payment to the certificate for all the Shares of each class or denomination registered in his name, or if the Board, so approve (upon paying such fees as the Board may from time to time determine) to several certificates, each for one or of such Shares and the Company shall complete such certificate within two months after the allotment or such period as may be determined at the time of the issue of such capital whichever is longer or within one month after registration of the transfer thereof as provided by Section 56 of the Act. Every certificate of shares shall have its distinctive number and be issued under the Seal of the Company and shall specify the number and denoting number of the shares in respect of which it is issued and the amount paid thereon and shall be in such form as the Board shall prescribe or approve provided that in respect of share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and the delivery of a certificate for a share or shares to one of several joint-holders shall be deemed to be sufficient delivery to all.
- (ii) A certificate of shares registered in the names of two or more persons, unless otherwise directed by them in writing, may be delivered to any one of them on behalf of them all.
- (2) (i) Notwithstanding anything contained herein, the Company shall be entitled to dematerialise its shares, debentures and other securities pursuant to the Depositories Act, 1996 and to offer its shares, debentures and other securities for subscription in a dematerialised form.
- (ii) Notwithstanding anything contained herein, the Company shall be entitled to treat the person whose names appear in the register of members as a holder of any share or whose names appear as beneficial owners of shares in the records of the Depository, as the absolute owner thereof and accordingly shall not (except as ordered by a Court of competent jurisdiction or as required by law) be bound to recognise any benami trust or equity or equitable contingent or other claim to or interest in such share on the part of any other person whether or not it shall have express or implied notice thereof.
- (iii) Notwithstanding anything contained herein, in the case of transfer of shares or other marketable securities where the Company has not issued any Certificates and where such shares or other marketable securities are being held in an electronic and fungible form, the provisions of the Depositories Act, 1996 shall apply. Further, the provisions relating to progressive numbering shall not apply to the shares of the Company which have been dematerialized.
- Members' right to Certificates*
- May be delivered to any one of Joint-holders*
- Shares in Depository form*

- Issue of new certificate in place of one defaced, lost or destroyed*
28. If any certificate be worn out, defaced, destroyed or lost or if there be no further space on the back thereof for endorsement of transfer, then upon production thereof to the Board, 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 and on such indemnity as the Board deem adequate being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. A sum not exceeding Rs. 50/- shall be paid to the Company for every certificate issued under this clause, as the Board may fix from time to time, provided that no fee shall be charged for issue of new certificate in replacement of those which are old, worn, decrepit out or where the cages on the reverse for recording transfers have been fully utilised.
- Board may waive fees*
29. The Board may waive payment of any fee generally or in any particular case.
- Endorsement on certificate*
30. Every endorsement upon the certificate of any share in favour of any transferee thereof shall be signed by such person for the time being authorised by the Board in that behalf.
- Board to comply with Rules*
31. The Board shall comply with requirements prescribed by any Rules made pursuant to the said Act; relating to the issue and execution of share certificates.
- VI. CALLS ON SHARES**
- Directors may make calls, calls may be made by Installments*
32. Subject to the provisions of Section 49 of the said Act, the Board may, from time to time, by means of resolution passed at its meetings make such calls as they may think fit upon the members in respect of moneys unpaid on the share held by them respectively and not by the conditions of allotment thereof made payable at fixed times, and each member shall pay the amount of every call so made on him to the persons and at the times and place appointed by the Board. A call may be made payable by installments.
- Call to date from resolution*
33. A call shall be deemed to have been made at the time when the resolution of the Board authorising such call was passed and may be made payable by members on a subsequent date to be specified by Directors.
- Notice of call*
34. Fourteen day's notice at least of every call made payable otherwise than on allotment shall be given by the Company in the manner hereinafter provided for the giving of notices specifying the time and place of payment, and the person to whom such call shall be paid. Provided that before the time for payment of such call the Board may by notice given in the manner hereinafter provided revoke the same. The Board may, from time to time at their discretion, extend the time fixed for the payment of any call, and may extend such time as to all or any of the members who, the Board may deem fairly entitled to such extension; but no member shall be entitled to any such extension, except as a matter of grace and favour.
- Provisions applicable to installments*
35. If by the terms of issue of any share or otherwise any amount is payable at any fixed time or by installments at fixed times, whether on

account of the share or by way of premium, every such amount or installments shall be payable as if it were a call duly made by the Board and of which due notice had been given, and all the provisions herein contained in respect of calls shall relate to such amount or installments accordingly.

36. If the sum payable in respect of any call or such other amount or installments be not paid on or before the day appointed for payment thereof or any extension thereof as aforesaid, the holder for the time being of the share, in respect of which the call shall have been made, or such amount or installment shall be due, shall pay interest for the same, from the day appointed for the payment thereof to the time of actual payment at such rate not exceeding ten per cent per annum, as shall from time to time be fixed by the Board. Nothing in this Article shall however, be deemed to make it compulsory on the Board to demand or recover any such interest, and the payment of such interest, wholly or in part, may be waived by the Board if they think fit so to do.
- When interest on call or installment payable*
37. Any money due from the Company to a member may, without the consent and notwithstanding the objection of such member, be applied by the Company in or towards the payment of any money due from him to the Company for calls or otherwise.
- Money due to members from the Company may be applied in payment of call or installment*
38. Neither a judgement nor a decree in favour of the Company for calls of other moneys due in respect of any shares nor any part-payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any member to the Company in respect of his 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 forfeiture of such shares as hereinafter provided.
- Part payment on account of call, etc., not to preclude forfeiture*
39. On the trial or hearing of any action or suit brought by the Company against any member or his legal representatives to recover any moneys claimed to be due to the Company for any call or other sum in respect of his shares, it shall be sufficient to prove that the name of the member in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder, or one of the holders, at or subsequent 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, and that the amount claimed is not entered as paid in the books of the Company or the Register of Members and 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 legal representatives sued in pursuance of these presents; and it shall not be necessary to prove the appointment of the Directors who made such call, not that a quorum of Directors was present at the meeting of the Board at which such call was made, nor that the meeting at which such call was made duly convened or constituted, nor any other matter whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debts, and the same shall be recovered by the Company against the member or his representatives from whom the same is sought to be recovered unless
- Proof on trial of suit on money on shares*

it shall be proved, on behalf of such member or his representatives against the Company that the name of such member was improperly inserted in the register, or that the money sought to be recovered has actually been paid.

- Payment of unpaid share capital in advance*
- Interest may be paid thereon*
- Repayment of such advances*
- Priority of payment in case of winding up*
40. (1) The Board may, if they think fit, subject to the provisions of Section 50 of the Act receive from any member willing to advance the same, either in money or money's worth the whole or any part of the amount remaining unpaid on the shares held by him beyond the sum actually called up and upon the moneys so paid or satisfied in advance, or so much thereof, as from time to time and at any time thereafter exceeds the amount of the calls then made upon and due respect of the shares on account of which such advances have been made, the Company may pay or allow interest at such rate as the member paying such advance and the Board agree upon; provided always that if at any time after the payment of any such money the rate of interest so agreed to be paid to any such member appears to the Board to be excessive, it shall be lawful for the Board from time to time to repay to such member so much of money as shall then exceed the amount of the calls made upon such shares, unless there be an express agreement to the contrary; and after such repayment such member shall be liable to pay, and such advance had been made, provided also that if at any time after the payment of any money so paid in advance, the Company shall go into liquidation, either voluntary or otherwise, before the full amount of the money so advanced shall have become due by the member to the Company for installments or calls, or any other manner, the member making such advance shall be entitled (as between himself and the other members) to receive back from the Company the full balance of such moneys rightly due to him by the Company in priority to any payment to members on account of capital.
- No right to vote*
- (2) The member making such advance shall not, however, be entitled to any voting rights in respect of the moneys so advanced by him until the same would, but for such payment, become presently payable.

VII. FORFEITURE OF AND LIEN ON SHARES

- If call or installment not paid, notice to be given to member*
41. If any member fails to pay any money due from him in respect of any call made or amount or installment as provided in Article 35 on or before the day appointed for payment of the same, or any such extension thereof as aforesaid or any interest due on such call or amount or installment or any expenses that may have been incurred thereon, the Directors or any person authorised by them for the purpose may, at any time thereafter, during such time as such money remains unpaid, or a judgement or a decree in respect thereof remains unsatisfied in whole or in part, serve a notice in the manner hereinafter provided for the serving of notices on such member or any of his legal representatives or any of the persons entitled to the share by transmission, requiring payment of the money payable in respect of

such share, together with such interest and all expenses (legal or otherwise) incurred by the Company by reason of such non-payment.

42. The notice shall name a day (not earlier than the expiration of fourteen days from the date of the notice) and a place or places on or before and at which the money due as aforesaid is to be paid. The notice may also state that in the event of the non-payment of such money at or before the time and the place appointed, the shares in respect of which the same owed will be liable to be forfeited. *Term of notice*
43. If the requirements of any such notice as aforesaid are not complied with, every or any share in respect of which the notice is given may, at any time thereafter before payment of all calls or amounts or installments, interest and expenses due in respect thereof, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends and bonuses declared in respect of the forfeited shares and not actually paid before the forfeiture. *In default of payment, shares may be forfeited*
44. When any share shall have been so forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture or to any of his legal representatives, or to any of the persons entitled to the share by transmission and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register of Members. The provisions of this Article are, however, directory only and no forfeiture shall in any manner be invalidated by any omission or neglect to give such notice or to make such entry as aforesaid. *Notice of forfeiture
Entry of forfeiture
in register of members*
45. Any share so forfeited shall be deemed to be the property of the Company and the Board may sell, re-allot or otherwise dispose of the same, either to the original holder thereof or to any other persons, and either by public auction or by private sale and upon such terms and in such manner as the Directors shall think fit. *Forfeited shares to become property of the Company and may be sold, etc.*
46. In the meantime, and until any share so forfeited shall be sold, re-allotted or otherwise dealt with as aforesaid, the forfeiture thereof may at the discretion and by a resolution of the Board, be remitted or annulled as a matter of grace and favour but not as of right, upon such terms and conditions as they think fit. *Forfeiture may be remitted or annulled*
47. Any member whose shares have been forfeited shall, notwithstanding the forfeiture, remain liable to pay and shall forthwith pay to the Company all calls, amounts, installments, interest expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon, from the time of the forfeiture until payment, at the rates, not exceeding ten percent per annum as the Board may determine, in the same manner in all respects as if the shares had not been forfeited, without any deduction or allowance for the value of the shares at the time to the forfeiture and the Board may enforce the payment thereof if they think fit (but without being under any obligation so to do) without entitling such member or his representative to any remission of such forfeiture or to any compensation for the same, unless the Directors shall think fit to make such compensation, which they shall have full power to do, in such manner and on such terms on behalf of the Company as they shall think fit. *Members still liable to pay money due notwithstanding the forfeiture*

- Effect of forfeiture* 48. The forfeiture of a share shall involve the extinction of all interest in and of all claims and demands against the Company of the member in respect of the share and all other right of the member incident to the share except only such of those rights as by these Article are expressly saved.
- Surrender of shares* 49. The Directors may, subject to the provisions of the Act, accept a surrender of any share from or by any member desirous of surrendering those on such terms as they think fit.
- Certificate of forfeiture* 50. A certificate in writing, under signature of one Director and countersigned by any other person who may be authorised for the purpose by the Board, that the call, amount or installment in respect of a share was made or was due or the interest in respect of a call, amount or installment was or the expenses were payable, as the case may be, the notice thereof as aforesaid was given and default in payment was made and that the forfeiture of the share was made by a resolution of the Board to the effect, shall be conclusive evidence of the facts stated therein as against all persons entitled to or interested in such share.
- Title of Purchaser and allottee for forfeited Shares* 51. The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition thereof and the person to whom such share is sold, re-allotted or disposed of may be registered as the holder of the share and shall not be bound to see to the application of the consideration, 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 other disposal of the share.
- Company's lien on shares* 52. The Company shall have a first and paramount lien upon all the shares not being fully paid-up shares, registered in the name of each member (whether solely or jointly with another or others) and upon the proceeds of sale thereof, for all moneys from time to time due or payable by him to the Company for calls made and all amounts or installments as provided by Article 35 payable in respect of such shares and no equitable interest in any shares shall be created except upon the footing and condition that Article 25 hereof is to have full effect. Any such lien shall extend to all dividends 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 may at any time declare any shares to be exempt, wholly or partially from the provisions of this Article.
- Lien enforced by sale* 53. For the purpose of enforcing such lien, the Directors may sell, the shares subject thereto in such manner as they think fit and transfer the same to the name of the purchaser, without any consent and notwithstanding any opposition on the part of the indebted member or any other person or persons interested therein and a complete title to the shares which shall be sold and transferred shall be acquired by the purchaser, by virtue of such sale and transfer, against such indebted member and all persons claiming with or under him whether he may be indebted to the Company in point of fact or not. But no such sale shall be made until notice in writing stating the amount due or specifying the

liability of engagement and demanding payment or fulfillment or discharge thereof and of the intention to sell in default shall have been served upon such member or his heirs, executors, administrators, representatives or persons and default shall have been made by him or them in payment, fulfillment or discharge of such debts, liabilities or engagements for seven days after such notice.

54. The net proceeds of any such sale after payment of the costs of such sale, shall be applied in or towards the satisfaction of such debts liabilities or engagements and the residue (if any) paid to such or any of his executors, administrators, representatives or assigns or any of the persons (if any) entitled by transmission to the shares sold. *Application of sale proceeds*
55. Upon any sale after forfeiture or upon any sale for enforcing a lien, in purported exercise of the powers hereinbefore given, the Directors may appoint some person or persons to execute an instrument of transfer of the shares sold. *Execution of instrument of transfer*
56. Upon any such sale after forfeiture or for enforcing a lien in purported exercise of powers the Board shall cause the purchaser's name to be entered in the Register in respect of the shares sold and shall issue to the purchaser a certificate such as is specified in Article 50 hereof in respect of the shares sold and the purchaser shall not be bound to see to the regularity of the proceedings or 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 shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively. *Validity of sale of such shares*

VIII. TRANSFER AND TRANSMISSION OF SHARES

57. The Company shall keep a book called the 'Register of Transfers' and therein shall be fairly and distinctly entered the particulars of every transfer or transmission of any share in the Company. *Register of Transfers*
58. No transfer shall be registered unless a proper instrument of transfer has been delivered to the Company. Every instrument of transfer (which shall be in the form specified in the Rules) shall be duly stamped, dated and shall be executed by or on behalf of the transferor and the transferee and in the case of a share held by two or more holders or to be transferred to the joint names of two or more transferees by all such joint-holders or by all such joint transferees, as the case may be, several executors or administrators of a deceased member proposing to transfer the shares registered in the name of such deceased member shall all sign the instrument of transfer in respect of the share as if they were the joint-holders of the share. The instrument of transfer shall specify the name, address and occupation, if any, of the transferee. *Instrument of transfer to be executed by transferor and transferee*
59. In the case of the death of any one or more of the persons named in the Register as the joint-holders of any share, the survivor or survivors shall be the only persons 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 the deceased joint-holder from any liability on the shares held by him jointly with any other person. *Death of one or more joint-holders*

Title of share of deceased member

60. (1) On the death of a member, the survivor or survivors where the member was a joint-holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the Company as having any title to his interest in the shares.
- (2) Where there is no, nominee, the executors or administrators of a deceased member not being one of several joint-holders shall be the only persons recognised by the Company as having any title to the shares registered in the name of such deceased member, and the Company shall not be bound to recognise such executors or administrators, unless they shall have first obtained probate or letters of administration or other legal representation, as the case may be, provided nevertheless, the Directors, in any case where they in their absolute discretion think fit, may dispense with the production of Probate or Letters of Administration or such other legal representation, upon such terms as to indemnity or otherwise as they may deem fit and under the next Article, register the name of any person who claims to be absolutely entitled to the shares standing in the name of the deceased member as a member in respect of such shares.

Registration of person entitled to shares otherwise than by transfer (transmission clause)

61. Subject to the provisions of the last preceding Article, any person to whom the right to any share has been transmitted in consequence of the death or insolvency of any member or otherwise by operation of law may, with the consent of the Board (which they shall not be under any obligation to give) and upon his producing such evidence that he sustains the character in respect of which he proposes to act under the Article and of his title as the Directors think sufficient be registered as a member in respect of such shares. This clause is hereinafter referred to as the 'transmission clause'. A transfer of the share or other interest 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 effecting the transmission.

Evidence of transmission to be verified

62. Every transmission of a share shall be verified in such a manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient; provided nevertheless, that there shall not be any obligation on the Company or the Directors to accept any indemnity, the Directors shall have the same right to refuse to register a person entitled by transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.

Rights of such person

63. A person entitled to share by transmission may, until the Directors otherwise determine as provided in Article 129, receive and give discharge for any dividends, bonuses or other moneys payable in respect of the share, but he shall not be entitled to vote at any meetings of the Company and to any of the rights and privileges of a member, unless and until he shall have become a member in respect of the shares.

64. An application for the registration of a transfer of shares or other interest of a member in the Company may be made either by the transferor or the transferee. Where such application is made by the transferor and relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the delivery of the notice.

Procedure on application for transfer

65. (1) It shall not be lawful for the Company to register a transfer of any shares unless the proper instrument of transfer duly stamped, dated and executed by or on behalf of the Transferor and by or on behalf of the Transferee and specifying the name and address and occupation of the Transferee has been delivered to the Company along with the scrip and if no such scrip is in existence, along with the letter of allotment of the shares. Where the proper instrument of transfer is not received by the Company within a period of two months from the date on which the instrument is dated, the Directors may at their sole discretion be entitled to seek such documentation including indemnities as it may deem fit, from both the transferor and transferee, or from the person who has lodged the same for transfer, and the Board may at its sole discretion be entitled to give effect to the transfer on receipt of such documentation and indemnities (save where an order of a competent court is produced, the Board shall then give effect to the transfer).

Instrument of Transfer to be left at office with certificate and with evidence of title

(2) If the Company refuses to register the transfer of any shares, the Company shall within one month from the date on which the instrument of transfer is lodged with the Company send to the Transferee and the Transferor notice of the refusal as provided in Article 66.

(3) Nothing in clause (1) shall prejudice any power of the Company to register as shareholder any person to whom the right to any share has been transmitted by operation of law.

(4) Nothing in this Article shall prejudice any power of the Company to refuse to register the transfer of any share.

66. The Board may, at its absolute and uncontrolled discretion and without assigning or being under any obligation to give any reason, decline to register or acknowledge any transfer or transmission of shares and in particular, may so decline in any case in which the Company has a lien upon the shares or any of them or in the case of shares not fully paid-up whilst any moneys called or payable at a fixed time in respect of the shares desired to be transferred or any of them remain unpaid or unless the transferee is approved by the Board. Nothing in Section 56 of the Act shall prejudice this power to refuse to register the transfer of or the transmission by operation of law of the right to, any shares or interest of a member in or debentures of the Company. The registration of a transfer shall be conclusive evidence of the approval by the Board of the transferee, but so far only as regards the share or shares in respect of which the transfer is so registered and not further or otherwise and not so as to debar the Board to refuse registration of any further

Directors may decline to register transfers

shares applied for. If the Board refuses to register the transfer or transmission of any shares notice of the refusal shall within two months from the date on which the instrument of transfer on intimation of transmission was delivered to the Company be sent to the Transferee and the Transferor or to the person giving intimation of the transmission, as the case may be.

Transferor to remain holder of shares till transfer registered

67. The Transferor shall be deemed to remain the holder of the shares until the name of the transferee shall be entered in the Register of Members.

Registered Instrument of transfer to remain with Company

68. Every instrument of transfer which shall be registered shall remain in the custody of the Company. If the transfer relates to the only share or all the shares comprised in the certificate, such certificate or a new certificate in lieu thereof shall, after the registration of the transfer, be delivered to the transferee and if the transfer relates only to a part of the shares comprised in the certificate, the same shall, on registration of the transfer be retained by the Directors and cancelled and new certificates will be issued to the transferor and the transferee in respect of the shares respectively, held by them.

Transfer books and Register may be closed for not more than 45 days in the year

69. The Directors shall have power on giving seven days' notice as required by Section 91 of the Act to close the Transfer Book and Register of Members of such period or periods of time in every year as to them may seem expedient, but not exceeding 45 days in any year and not exceeding 30 days at any one time.

The Company not liable for disregard of any notice prohibiting registration of a transfer

70. The Company shall incur no liability or responsibility whatever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made, by an apparent legal owner thereof (as shown or appearing in the Register of Members), to the prejudice of any person or persons having or claiming any equitable right, title or interest to or in the same shares, notwithstanding that the Company may have had notice of such equitable right title or interest or 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 books 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 Directors shall so think fit.

Transfer of debentures

71. The provisions of these Articles shall mutatis mutandis apply to the transfer or transmission by operation of law of debentures of the Company.

IX. ALTERATION OF SHARE CAPITAL

Company may alter its Capital in certain ways

72. Subject to Section 61, the Company may by Ordinary Resolution so alter the conditions of its Memorandum of Association as:-

- (1) to increase its share capital by such amount as it thinks expedient by issuing new shares;

- (2) to consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
 - (3) to convert all or any of its fully paid-up shares into stock and reconvert that stock into fully paid-up shares of any denominations;
 - (4) to sub-divide its shares or any of them into shares of smaller amount than is fixed by its Memorandum of Association, 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;
 - (5) to cancel any shares 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.
73. The Directors may from time to time without any sanction of the Company, whenever all the shares in the issued capital shall not have been subscribed and whether all the shares for the time being subscribed shall have been fully called up or not, issue further shares of such value as they may think fit out of the unsubscribed balance of the issued capital. Such further shares shall be issued upon such terms and conditions (and if preference shares upon such conditions as to redemption) and with such rights and privileges annexed thereto as the Board shall direct and in particular, such shares may be issued with a preferential or qualified right to dividend and in the distribution of assets of the Company and subject to the provisions of Section 47 of the said Act with a special or without any right of voting and the Board may dispose of such shares or any of them either at par or at a premium, to any members or any class thereof or in such other manner as the Board may think most beneficial to the Company.
- Increase of capital
by the Directors
and how carried
into effect*
74. (1) Where it is proposed to increase the subscribed capital of the Company by the issue of new shares:
- (i) such new shares shall be offered to the persons who, at the date of the offer are holders of the equity shares of the Company, in proportion, as nearly as circumstances admit to the capital paid-up on these shares at that date;
 - (ii) the offer aforesaid shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days and not exceeding thirty days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined;
 - (iii) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; and the notice shall contain a statement of this right;
 - (iv) after the expiry of the time specified in the notice aforesaid or on receipt of earlier intimation from the person to whom
- Further Issue of
capital*

such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner as they think most beneficial to the Company;

(v) To employees under a scheme of employees' stock option, subject to Special Resolution passed by the Company and subject to such conditions as may be specified in the relevant Rules;

(vi) To any persons, by way of passing a Special Resolution to that effect, whether or not those persons include the persons referred to in clause (i) or clause (v), either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be specified in the relevant Rules.

(2) Whenever any shares are to be offered to the members the Directors may dispose of any such shares which, by reason of the proportion borne by them to the number of persons entitled to such offer or by reason of any other difficulty in apportioning the same cannot in the opinion of the Directors be conveniently offered to the members.

(3) The right to issue further shares provided in this clause, shall include a right to the Company, to issue any instrument, including Global Depository Receipt.

How far new share in original capital

75. Except so far as otherwise provided by the conditions of issue or by these presents, any capital raised by creation of new shares shall be considered as part of the capital and shall be subject to the provisions herein contained with reference to the payment of calls and installments, transfer, transmission, forfeiture, lien, surrender; voting and otherwise in all respects as if it had been the original capital.

Notice of increase of capital

76. The Directors shall, whenever there is a change in the share capital, file with the Registrar of Companies notice of the increase of the capital as provided by Section 64 of the said Act within thirty days after the passing of the resolution authorising the increase.

Transfer of Stock

77. (1) When any shares shall have been converted into stock, the several holders of such stock may thenceforth transfer their respective interests therein or any part of such interest, in the same manner and subject to the same regulations as and subject to which shares in the Company's capital may be transferred or as near thereto as circumstances will admit. But the Board may from time to time, if they think fit, fix the minimum amount of stock transferable and restrict or forbid the transfer of fractions of that minimum, but with full power, nevertheless, at the discretion to waive such rules in any particular case.

(2) Notice of such conversion of shares into stock or reconversion of stock into shares shall be filed with the Registrar of Companies as provided in the said Act.

78. The stock shall confer on the holders thereof respectively the same privileges and advantages, as regards participation in profits and voting at meetings of the Company and for other purposes, as would have been conferred by shares of equal amount in the capital of the Company of the same class as the shares from which such stock was converted but no such privileges or advantages, except the participation in profits of the Company or in the assets of the Company on a winding up, shall be conferred by any such aliquot part of, consolidated stock as would not, if existing in shares, have conferred such privileges or advantages. No such conversion shall affect or prejudice any preference or other special holders of the share and authenticated by such evidence (if any) as the provisions herein contained shall, so far as circumstances will admit, apply to stock as well as to shares and the words "share" and "shareholder" in these presents shall include "stock" and "stock-holder".

*Rights of
stock-holders*

X. REDUCTION OF CAPITAL

79. The Company may from time to time by Special Resolution, in such manner specified in the Act and subject to such consents as may be required under any other law for the time being in force, reduce in any manner:

*Reduction of
capital*

- (1) its share capital;
- (2) any capital redemption reserve account; or
- (3) any securities premium account.

80. (1) Subject to the provisions of Section 55 of the said Act, whenever any preference shares are issued which are or at the option of the Company are to be liable to be redeemed, the following provisions shall take effect:

*Provisions relating
to the redemption
of preference
shares*

- (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 purposes of the redemption.
- (ii) No such shares shall be redeemed unless are fully paid.
- (iii) The premium, if any payable on redemption must be provided for out of the profits of the Company or out of the Company's Securities 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 the Capital Redemption Reserve Account, a sum equal to the nominal amount of the share redeemed.

(2) Subject to the provisions of Section 55 of the Act and these Articles the redemption of preference shares hereunder may be effected in accordance with the terms and conditions of their issue and in the absence of any such terms and conditions in such manner as the Directors may think fit.

- (3) The redemption of preference shares under this provision by the Company shall not be taken as reducing the amount of its authorised share capital.
- (4) Where the Company has redeemed or is about to redeem any preference shares, it shall never have power to issue shares up to the nominal amount of the shares redeemed or to be redeemed as if those shares had never been issued; and accordingly the share capital of the Company shall not, for the purpose of calculating the fees payable under Section 385 of the said Act, be deemed to be increased by the issue of shares in pursuance of this Article. Provided that, where new shares are issued before the redemption of the old shares, the new shares shall not so far as related to stamp duty, be deemed to have been issued in pursuance of this Article unless the old shares are redeemed within one month after the issue of the new shares.
- (5) The Capital Redemption Reserve Account may, notwithstanding anything in this Article, be applied by the Company, in paying up unissued shares of the Company to be issued to members of the Company as fully paid bonus shares.

XI. MODIFICATION OF RIGHTS

Power to modify rights

81. (1) Whenever the share capital by reason of 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 the Act, be varied, commuted, affected, 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 of nominal value of the issued shares of the class or is sanctioned by Special Resolution passed at a separate meeting of the holders of the shares of that class and supported by the votes of the holders of not less than three-fourths of the shares of that class.

Article 81 not to derogate from company's powers

- (2) This Article is not to derogate from any power the Company would have if this Article were omitted and in particular the powers under Chapter XV of the said Act. The dissentient members shall have the right to apply to the Tribunal in accordance with the provisions of Section 48 of the Act.

XII. JOINT-HOLDERS

Joint-Holders

82. (1) Where two or more persons are registered as the holders of any Securities they shall be deemed (so far as the Company is concerned) to hold the same as joint tenants with benefits of survivorship subject to the following and other provisions contained in these Articles.

No transfer to more than three persons

- (2) The Company shall be entitled to decline to register more than three persons as the joint-holders of any Securities.

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| (3) | The joint-holders of any Security shall be liable severally as well as jointly for and in respect of all calls or installments and other payments which ought to be made in respect of such Securities. | <i>Liabilities of holders</i> |
| (4) | On the death of any one or more of such joint-holders the survivor or survivors shall be the only person or persons recognised by the Company as having any title to the share but the Board may require such evidence of death as they may deem fit and 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. | <i>Death of Joint-holders</i> |
| (5) | Any one of such joint-holders may give effectual receipts for any dividends or other moneys payable in respect of such Security. | <i>Receipt of one sufficient</i> |
| (6) | Only the person whose name stands first in the Register of Members (or the relevant register maintained for that Security) as one of the joint-holders of any shares shall be entitled to delivery of the certificate relating to such or to receive notices (which expression shall be deemed to include all Documents) from the Company and any notice given to such person shall be deemed notice to all the joint-holders. | <i>Delivery of Certificate and giving of notices to first named holder</i> |
| (7) | Any one of two or more joint-holders may vote at any meeting (including voting by postal ballot and by electronic voting) either personally or by an agent duly authorised under a power of attorney or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint-holders be present at any meeting personally or by proxy or by attorney that one of such persons so present whose name stands first or higher (as the case may be) on the Register in respect of such Security shall alone be entitled to vote in respect thereof. Provided always that a person present at any meeting personally shall be entitled to vote in preference to a person, present by an agent, duly authorised under a power of attorney or by proxy although the name of such persons present by an agent or proxy stands first in the Register in respect of such shares. Several executors of a deceased member in whose (deceased member's) sole name any Security stands shall for the purpose of this sub-clause be deemed joint-holders. | <i>Votes of Joint-holder</i> |

XIII. GENERAL MEETING

- | | | |
|-----|---|--|
| 83. | The Company shall, in addition to any other meetings which are hereinafter referred to as "Extraordinary General Meeting", hold a General Meeting which shall be styled its Annual General Meeting at the intervals and in accordance with the provisions of the Act. | <i>Annual General Meeting</i> |
| 84. | The Directors may call Extraordinary General Meetings of the Company whenever they think fit and such meetings shall be held at such place and time as the Directors think fit. | <i>Directors may call Extraordinary General Meetings</i> |
| 85. | (1) If a default is made in holding an Annual General Meeting in accordance with Section 96 of the Act, the Tribunal may, notwithstanding anything in the Act, (or in the Articles of the | <i>Power of Tribunal to call General Meeting</i> |

Company) on the application of any member of the Company, call or direct the calling of a General Meeting of the Company, and give such ancillary or consequential directions as the Central Government thinks expedient in relation to the calling, holding and conducting of the meeting.

Explanation:-

The directions that may be given, may include a direction that one member of the Company so present in person or by proxy shall be deemed to constitute a meeting.

*Calling of
Extraordinary
General Meeting
on requisition*

86. (2) A General Meeting held in pursuance of sub-clause (i) shall subject to any directions of the Tribunal be deemed to be an Annual General Meeting of the Company.
- (1) The Board of Directors of the Company shall on the requisition of such number of members of the Company as is specified in sub-clause (4) forthwith proceed duly to call an Extraordinary General Meeting of the Company.
- (2) The requisition shall set-out the matters for the consideration of which the meeting is to be called shall be signed by the requisitionists and shall be sent to the Registered Office of the Company.
- (3) The requisition may consist of several documents in like form each signed by one or more requisitionists.
- (4) The number of members entitled to requisition a meeting in regard to any matter shall be such number of them as hold both on the date of such requisition and on the date of receipt of the requisition not less than one-tenth of such of the paid-up capital of the Company as at that date carries the right of voting in regard to that matter.
- (5) Where two or more distinct matters are specified in the requisition, the provisions of sub-clause (4) shall apply separately in regard to each such matters and the requisition shall accordingly be valid only in respect of these matters in respect to which the conditions specified in that sub-clause is fulfilled.
- (6) If the Board does not, within twenty one days from the date of the receipt of a valid requisition in regard to any matters, proceed duly to call a meeting for the consideration of those matters on a day not later than forty five days from the date of receipt of the requisition, the meeting may be called and held by the requisitionists themselves within a period of three months from the date of the requisition.

Explanation:-

For the purposes of this sub-clause, the Board shall in the case of a meeting at which a resolution is to be proposed as a Special Resolution, be deemed not to have duly convened the meeting if they do not give such notice thereof as is required by sub-section (2) of Section 114.

- (7) A meeting called under sub-clause (6) by the requisitionists or any of them -
- (a) shall be called in the same manner as nearly as possible as that in which meetings are to be called by the Board; but
 - (b) shall not be held after the expiration of three months from the date of the deposit of the requisition;
 - (c) shall convene meeting at Registered office or in the same city or town where Registered office is situated and such meeting should be convened on working day.
- (8) Where two or more persons hold any shares or interest in a Company jointly, a requisition or a notice calling a meeting signed by one or only some of them shall for the purposes of this Section have the same force and effect as if it has been signed by all of them.
- (9) Any reasonable expenses incurred by the requisitionists by reasons of the failure of the Board duly to call a meeting shall be repaid to the requisitionists by the Company; and any sum so repaid shall be retained by the Company out of any sums due or to become due from the Company by way of fees or other remuneration for their services to such of the Directors as were in default.
87. (1) A General Meeting of the Company may be called by giving at least clear twenty one day's notice in writing or through electronic mode but a General Meeting may be called after giving shorter notice if consent is given in writing or by electronic mode by not less than ninety five percent of the members entitled to vote at such meeting. Provided that where any members of the Company are entitled to vote only on some resolution or resolutions to be moved at meeting and not on others, those members shall be taken into account for the purposes of this clause in respect of the former resolution or resolutions and not in respect of the latter.
- (2) Notice of every general meeting of the Company shall specify the place, date, day and the hour of the meeting and shall contain a statement of the business to be transacted thereat.
- (3) Such notice shall be given -
- (i) to every member of the Company, legal representative of any deceased Member or the assignee of an insolvent Member;
 - (ii) to the auditor or auditors of the Company;
 - (iii) to every Director of the Company; and
 - (iv) to every trustee for the debenture holder of any debentures issued by the Company.

*Length of Notice
for calling meeting*

Contents of Notice

*To whom notice to
be given*

Omission to give notice or non-receipt of notice shall not invalidate proceedings

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

Proxy

(5) In every notice calling a meeting of the Company there shall appear with reasonable prominence a statement that a member entitled to attend and vote is entitled to appoint a proxy or where that is allowed one or more proxies, to attend and vote instead of himself and that a proxy need not be a member.

Explanatory statements

(6) Where any items of business to be transacted at the meeting are deemed to be special as provided in Article 88 there shall be annexed to the notice of the meeting a statement setting out all materials facts concerning each such item of business namely:

(a) The nature of concern or interest, financial or otherwise, if any of the following persons, in respect of each item of:

(i) every Director and the Manager, if any;

(ii) every other Key Managerial Personnel; and

(iii) relatives of the persons mentioned in sub-clause (i) and (ii).

(b) Any other information and facts that may enable members to understand the meaning, scope and implementation of the items of business and to take decision thereon.

Inspection of documents referred in the explanatory statement

(7) Where any item of business consists of the according of approval to any document by the meeting the time and place where the document can be inspected shall be specified in the statement aforesaid.

Business to be transacted at meetings

88. In the case of an Annual General Meeting all business to be transacted at the meeting shall be deemed special with the exception of business relating to

(i) the consideration of the Financial Statement, (including the consolidated financial statement, if applicable), and the Reports of the Board of Directors and Auditors,

(ii) the declaration of a dividend,

(iii) the appointment of Directors in the place of those retiring and (iv) the appointment of and the fixing of the remuneration of the Auditors. In the case of any other meeting all business shall be deemed special.

Circulation of members resolutions

89. Upon a requisition of members complying with Section 111 of the said Act, the Directors shall comply with the obligations of the Company under the said Act relating to circulation of members' resolutions and statements.

Certificate conclusive as to Meeting having been duly called

90. A certificate in writing, signed by the Secretary or by a Director or some officer or agent appointed by the Board for the purpose, to the effect that according to the best of its belief the notices convening the meeting have been duly given shall be prima facie evidence thereof.

91. The Board, and the persons authorised by it, shall have the right to take and/or make suitable arrangements for ensuring the safety of any meeting – whether a general meeting or a meeting of any class of security or securities, or of the persons attending the same, and for the orderly conduct of such meeting, and notwithstanding anything contained in this Articles, any action, taken pursuant to this Article in good faith shall be final and the right to attend and participate in such meeting shall be subject to the decision taken pursuant to this Article.

*Security
arrangement at
venue of meetings.*

XIV. PROCEEDINGS AT GENERAL MEETINGS AND ADJOURNMENT THEREOF

92. No General Meeting, Annual or Extraordinary, shall be competent to enter upon, discuss or transact any business a statement of which has not been specified in the notice convening the meeting except as provided in the said Act.

*Business which
may not be
transacted at the
meeting*

93. No business shall be transacted at any General Meeting, unless the requisite quorum is present at the time when the meeting proceeds to business. The quorum for a general meeting shall be the presence in person of such number of members as specified in Section 103 of the Act. Subject to Article 82(7) when more than one of the joint-holders of a share is present only one of them shall be counted for ascertaining the quorum. Several executors or administrators of a deceased person in whose sole name shares stand shall for the purpose of this clause be deemed joint-holders thereof.

*Presence of
Quorum*

94. If, within half an hour from the time appointed for holding the meeting, a quorum of members is not present, the meeting if convened by or upon such requisition of members as aforesaid shall be dissolved, but in any other case it shall stand adjourned pursuant to the provisions of sub-section (2) of Section 103 of the Act.

*If quorum not
present, when
meeting to be
dissolved and
when to be
adjourned*

95. If at such adjourned meeting a quorum of members is not present within half an hour from the time appointed for holding the meeting, the members present, whatever their number, shall be a quorum and may transact the business and decide upon all matters which could properly have been disposed of at the meeting from which the adjournment took place, if a quorum had been present thereat.

*Adjourned meeting
to transact
business even if no
quorum present*

96. The Chairman of the Board (whether Member or not) shall if present and willing, be entitled to take the chair at every General Meeting, whether Annual or Extraordinary, but if there be no such Chairman or in case of his being present or being unwilling or failing to take the chair within fifteen minutes of the time appointed for holding such meeting, the members present shall choose another Director (whether Member or not) as Chairman and if all the Directors present decline to take the chair or if there be no Director present, then the members present shall choose one of their own members to be Chairman of the meeting. If a poll is demanded it shall be taken forthwith in accordance with the provisions of sub-section (2) of Section 104. The Chairman elected on a show of hands shall exercise all the powers of the Chairman for the purpose of such poll. If some other person is elected Chairman as a result of such poll, he shall be the Chairman for the rest

General Meeting

of the meeting. The Chairman be permitted to hold the position of both the Chairman of the Board and/or General Meeting as well as Managing Director/CEO/equivalent position thereof in the Company as per the recommendations of the appropriate committee of the Directors and approved by the Board of Directors and as permitted by applicable laws from time to time.

When chair vacant, business confined to election of Chairman

97. No business shall be transacted at any General Meeting, except the election of Chairman, whilst the chair is vacant.

Chairman with consent of members may adjourn meeting

98. The Chairman may, with the consent of a majority of the members personally present at any meeting, adjourn such meeting from time to time and from place to place in the city, town or village where the Registered Office of the Company be situate but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. A resolution passed at an adjourned meeting of the Company shall 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.

Notice of adjournment

99. Whenever any meeting is adjourned for thirty days or more notice of such adjourned meeting shall be given as in the case of an original meeting.

Voting by show of hands

100. (1) At any General Meeting, a resolution put to vote of the meeting shall, unless a poll is demanded under Section 109, or if the voting is carried out electronically be decided on a show of hands. Such voting in a general meeting or by postal ballot shall also include electronic voting in a General Meeting or Postal Ballot as permitted by applicable laws from time to time.

Chairman's declaration of result of voting by show of hands conclusive

(2) A declaration by the Chairman in pursuance of clause (1) hereof that on a show of hands a resolution has or has not been carried or has or has not been carried either unanimously or by a particular majority and an entry to that effect in the book containing the minutes of the proceedings of the Company, shall be conclusive evidence of the fact, without proof of the number of proportion of the votes cast in favour of or against such resolution.

Casting vote of the Chairman

101. In case of an equality of votes the Chairman of any meeting shall both on the show of hands and at a poll (if any) held pursuant to a demand made at such meeting, have a second or casting vote.

Minutes of Proceedings of General Meetings, Board and Other meetings

102. (1) (a) The Company shall cause minutes of all proceedings of General Meetings of any class of shareholders or creditors, and every resolution passed by postal ballot and of all proceedings at meetings of its Board of Directors or of committees of the Board, to be entered in books kept for the purpose.

(b) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.

- (c) All appointments of officers made at any time of the meetings aforesaid shall be included in the minutes of the meeting.
- (d) In case of a meeting of the Board of Directors or of a Committee of the Board, the minutes shall also contain:
 - (i) the names of the Directors present at the meeting; and the names of the Directors who are present through video or other audio-visual means.
 - (ii) in the case of each resolution passed at the meeting, the name of the Directors, if any, dissenting from or not concurring on the resolution.
- (e) There shall not be included in the minutes, any matter which, in the opinion of the Chairman of the meeting:
 - (i) is or could reasonably be regarded as defamatory of any person;
 - (ii) is irrelevant to the interests of the Company; *or*
 - (iii) is detrimental to the interests of the Company.

Explanation:-

The Chairman shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in this Article.

- (2) Any such minute, if purporting to be signed by the Chairman of the meeting at which the proceedings took place or by the Chairman of the next succeeding meeting, shall be evidence of the proceedings.
- (3) Where the minutes have been kept in accordance with clause (1) hereof; then until the contrary is proved, the meeting shall be deemed to have been duly called and held and all proceedings thereat to have duly taken place and the resolution passed by circulation, postal ballot or other permitted means shall be construed to have been duly passed, and in particular all appointments of Directors, Key Managerial Personnel, Auditors or Company Secretary in practice, made at the meeting shall be deemed to be valid, including the matters that are required to be transacted at a meeting of the Board as specified in Section 179 of the said Act.

Minutes to be evidence

Presumption to be drawn where minutes duly drawn and signed

- 103. (1) The books containing the minutes of the proceedings of General Meetings of the Company shall -
 - (a) be kept at the registered office of the Company; and
 - (b) be open during business hours to the inspection of any member without charge subject to such reasonable restrictions as the Company may impose so however that not less than two hours in each day are allowed for inspection.

Inspection of Minute Books of General Meeting

- (2) Any member shall be entitled to be furnished within seven working days after he has made request in that behalf to the Company with a copy of any Minutes referred to in sub-clause (1) on payment of Rs. 10/- for every page or part thereof required to be photocopied and that the Company shall comply with provisions of Section 119 of the Act.

Other registers 104. The provisions contained in Article 103 shall mutatis mutandis apply to other registers maintained under the provisions of the said Act that can be inspected by an eligible person.

Publication of reports of proceedings of General Meeting 105. No document purporting to be a report of the proceedings of any General Meeting of the Company shall be circulated or advertised at the expense of the Company unless it includes the matters required by Section 118 of the Act to be contained in the Minutes of the proceedings of such meeting.

XV. VOTING RIGHTS AND PROXY

Indebted members not to vote 106. No member shall be entitled to exercise any voting right on any question either personally or by proxy or upon poll (including voting by electronic means) 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 or has exercised any right of lien.

Restrictions on exercise of voting rights in other cases to be void 107. A member is not prohibited from exercising his voting right on the ground that he has held his share or other interest in the Company for any specified period preceding the date on which the vote is taken, or on any other ground not being a ground set out in Article 106.

Vote of person of unsound mind 108. A member of unsound mind or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or at a poll by his committee or other legal guardian and not otherwise, and any such committee or guardian may, on a poll, vote by proxy.

Votes in respect of Securities under dispute 109. Notwithstanding anything contained in this Articles, where the title to any Securities is under dispute before any court, where no injunction subsists (or direction made) as to the exercise of voting rights or other rights of a member including the rights attached to such Securities, the Board shall be entitled to suspend any such right aforesaid.

Representation of corporations 110. A Member being a Body Corporate (whether a Company within the meaning of the said Act or not) may by resolution of its Board of Directors or other governing body authorise such persons as it thinks fit to act as its representative at any meeting of the Company, or at any meeting of any class of members of the Company. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the Body Corporate which he represents as that body could exercise if it were a member, creditor or holder of debentures of the Company.

Number of votes to which member is entitled 111. (1) Subject and without prejudice to any special privileges or restrictions or conditions for the time being attached to or affecting the preference or other special classes of shares, if any, issued by and for the time being forming part of the capital

of the Company every member, entitled to vote under the provisions of these presents and not disqualified by the provisions of Articles 106, 108 and 109 or by any other Article shall on a show of hands have one vote and upon a poll every member, present in person or proxy or agent duly authorised by a power-of-attorney or representative duly authorised and not disqualified as aforesaid, shall have voting rights in proportion to his share of the paid-up equity capital of the Company subject however to any limits imposed by law. But no member shall have voting right in respect of any moneys paid in advance as provided by Article 40(2).

- (2) No member not personally present shall be entitled to vote on a show of hands unless such member is a Body Corporate present by proxy or by a representative duly authorised under Section 113 of the Act in which case such proxy or representative may vote on a show of hands as if he were a member of the Company. *No voting by proxy on show of hands*
- (3) A Member may exercise his vote, in respect of items of business to be transacted for which notice is issued, by electronic means in accordance with Section 108, and shall vote only once.
112. 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 way all the votes he uses. A member or his proxy who votes shall be deemed to have used all his votes unless he expressly gives written notice to the contrary at the time he casts any votes. *Right to use votes differently*
113. Any member entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person (whether a member or not) as his proxy to attend and vote instead of himself but a proxy so appointed shall not have any right to speak at the meeting and shall not be entitled to vote except on a poll. A person shall (a) not act as proxy for more than 50 Members and holding in aggregate not more than 10% of the total share capital of the Company; (b) not act as proxy for more than one Member, if that Member holds more than 10% of the total share capital of the Company. *Instrument of proxy to be in writing*
114. The instrument appointing a proxy shall be in writing and shall be signed by the appointer or his attorney duly authorised in writing. If the appointer is a Body Corporate such instrument shall be under its seal or be signed by an officer or an attorney duly authorised by it, or by the persons authorised to act as the representative of such Company under Article 110. Any instrument appointing a proxy to vote at a meeting shall be deemed to include the power to demand or join in the demand for a poll on behalf of the appointer, where a poll has not been ordered to be carried out electronically. *Proxy may demand poll*
115. No instrument of proxy shall be treated as valid and no person shall be allowed to vote or act as proxy at any meeting under an instrument of proxy, unless such instrument of proxy and power-of attorney or other authority (if any) under which it is signed or a notarially certified copy *Instrument of proxy to be deposited at the Registered Office*

of that power or authority shall have been deposited at the Registered Office of the Company at least forty-eight hours before the time appointed for holding the meeting or adjourned meeting at which the persons named in such instrument proposes to vote. An instrument appointing a proxy or an attorney permanently or for a certain period once registered with the Company need not be again registered before each successive meeting and shall be in force until the same shall be revoked. Notwithstanding that a power-of-attorney or other authority has been registered in the records of the Company, the Company may by notice in writing addressed to the member or to attorney at least seven days before the date of a meeting require him to produce the original power-of attorney or authority and unless the same is thereupon deposited with the Company the attorney shall not be entitled to vote at such meeting unless the Directors in their absolute discretion excuse such non-production and deposit.

- Custody of the instrument of appointment*
116. If any such instrument of appointment be confined to the objects of appointing an attorney or proxy or substitute, it shall remain, permanent or for such time as the Directors may determine in the custody of the Company and if embracing other objects, a copy thereof, examined with the original shall be delivered to the Company to remain in the custody of Company.
- Form of Proxy*
117. The instrument appointing a proxy whether for a specified meeting or otherwise shall be in the Form as prescribed under the provisions of the Companies Act.
- Vote of proxy how far valid*
118. (1) A vote given in pursuance of an instrument of proxy shall be valid, notwithstanding the previous death of the principal or the revocation of the proxy or any power-of-attorney under which such proxy was signed or the transfer of the shares 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 Registered Office of the Company before the vote is given.
- (2) In case of e-voting, a Member shall be deemed to have exercised his voting rights by himself, even if any other person had voted using the login credentials of that Member.
- Time for objection to vote*
119. No objection shall be made to the validity of any vote except at the meeting or adjourned meeting or poll at which such vote shall be tendered and every vote whether given personally or by proxy, and not disallowed at such meeting or poll, shall be deemed valid for all purposes of such meeting or poll whatsoever.
- Chairman sole judge of the validity of a vote*
120. The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting and the Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll. The Chairman shall be assisted by a scrutinizer, appointed by the Board for this purpose.
- XVI. CAPITALISATION OF PROFITS AND DIVIDENDS**
- The Company in General Meeting may declare a dividend*
121. The Company in General Meeting may declare a dividend to be paid to the members according to their respective rights and interests in the profits, and may fix the time for the payment thereof.

122. Any share holder whose name is entered in the Register of Members of the Company shall enjoy the rights and be subject to the same liabilities as all other shareholders of the same class. *Equal rights of Shareholders*
123. No larger dividend shall be declared than is recommended by the Directors, but the Company in General Meeting may declare a smaller dividend. *Power of Directors to limit dividend*
124. Unless the Company otherwise resolves, dividends shall be paid in proportion to the amount paid up or credited as paid up on each share, where a larger amount is paid up or credited as paid up on some share than on others. Provided always that any capital paid up on a share during the period in respect of which a dividend is declared shall unless otherwise resolved be only entitled the holder of such share to a proportionate amount of such dividend from the date of payment. *Dividends in proportion to the amount paid-up*
125. Capital paid-up in advance of calls shall not confer a right to dividend or to participate in profits. *Capital advanced on Interest not to earn dividends*
126. No dividends shall be payable except out of profits of the Company of the year or any other undistributed profits and no dividend shall carry interest against the Company. *Dividends out of profits only and not to carry interest*
127. The Directors may, from time to time, declare and pay to the members such interim dividend as in their judgment the position of the Company justifies. *Interim dividend*
128. No member shall be entitled to receive payment of any dividend in respect of any share or shares on which the Company has a lien, or whilst any amount due or owing from time to time to the Company, either alone or jointly with any other person or persons, in respect of such share or shares, or on any other account whatsoever, remains unpaid, and the Directors may retain, apply and adjust such dividend in or towards satisfaction of all debts, liabilities, or engagements in respect of which the lien exists, and of all such money due as aforesaid. *No member to receive dividend while indebted to the Company*
129. 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 the same clause is entitled to transfer, until such person shall become a member in respect thereof or shall duly transfer the same. *Retention of dividends until completion of transfer under the transmission clause*
130. (1) A transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer. *Transfer must be registered to pass right to dividend*
- (2) No dividend shall be paid by the Company in respect of any share except to the registered holder of such share or to his order or to his bankers or any other person as permitted by applicable law.
131. All dividends shall be paid by the cheque, or warrant in respect thereof shall be posted within thirty days of the date on which such dividend is declared by the Company. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. The Company shall not be liable or responsible for any cheque or warrant lost in transmission or for any dividend lost to the member or person *Dividend when and how to be paid*

entitled thereto by forged endorsements on any cheque or warrant, or the fraudulent or improper recovery thereof by any other means.

- Notice of dividends* 132. Notice of the declaration of any dividend whether interim or otherwise, shall be given to the members in the manner hereinafter provided for giving of notice to member.
- Production of share certificate when applying for dividends* 133. The Directors may, if they think fit, call upon the members, when applying for dividends, to produce their share certificates to such person or persons appointed by them in that behalf.
- Any one of Joint-holders of share may receive dividends* 134. Any one of several persons who are registered as joint-holders of any share may give effectual receipts for all dividends and payments on account of dividends in respect of such share.
- Dividend payable in cash* 135. No dividend shall be payable except in cash Provided that nothing herein shall be deemed to prohibit the capitalisation of profits or reserves of the Company for the purpose of issuing fully paid-up bonus shares or paying up any amount for the time being unpaid on any shares held by the members of the Company. Provided further that any dividend payable in cash may be paid in cheque or warrant or in any electronic mode to the Member entitled to the payment of the dividend.
- Dividend and call together set off allowed* 136. Any General Meeting declaring a dividend may make a call on the Members of such amount as the meeting fixes and so that the call be made payable at the same time as the dividend, and the dividend may, if so resolved by the Company in General Meeting be set off against the calls.
- Capitalisation* 137. (1) A General Meeting of the Members, In a meeting in person or proxy or, through Postal Ballot or, by any other means, as may be permitted may on the recommendation of the Board, direct capitalisation of the whole or any part of the undivided profits for the time being of the Company or the whole or any part of the Reserve Fund or other funds of the Company including the moneys in the Securities Premium Account and the Capital Redemption Reserve Account or the premiums received on the issue of any shares, debentures or debenture-stock of the Company and that such sum be accordingly set free for the purpose, (i) by the issue and distribution, among the holders of the shares of the Company or any of them, in accordance with their respective rights and interests and in proportion to the amounts paid or credited as paid up thereon, of paid-up shares, debentures, debenture-stock bonds or other obligations of the Company, or (ii) by crediting any shares of the Company which may have been issued and are not fully paid up, in proportion to the amounts paid or credited as paid up thereon respectively, with the whole or any part of the same.
- (2) For the purposes above set out the Company may, subject to the provisions contained in Section 63, apply: (i) its free reserves, (ii) the Securities Premium Account subject to the provisions of Section 52(2) of the said Act; (iii) the Capital Redemption Reserve Fund subject to the provisions of Section 55(4) of the said Act; and (iv) such other reserves or account as may be applied for issue of bonus shares.

138. The Board shall have the right to fix a date for the purpose of determining the Members who are entitled to the payment of the dividend, or shares pursuant to the capitalisation of reserves, and for any other action of the Company that requires determination of the details of Members.

Date for determination of Members entitled to bonus, dividend and other actions of the Company

XVII. ACCOUNTS

139. (1) The Directors shall keep or cause to be kept at the Registered Office of the Company or at such place in India as the Board thinks fit proper books of accounts in respect of:

Accounts

- (i) all sums of money received and expended by the Company, and the matters in respect of which the receipt and expenditure take place;
- (ii) all sales and purchase of goods by the Company;
- (iii) the assets and liabilities of the Company; and
- (iv) the items of cost, if any- as specified in the relevant Rules.

- (2) Proper books of account shall also be kept at each branch office of the Company, whether in or outside India, relating to the transactions of that office and proper summarised returns made up to dates at intervals of not more than three months shall be sent by each branch office to the Company at its Registered Office of the Company or the other place referred to in clause (1) hereof.

- (3) The books of account referred to in clause (1) and (2) shall be such books as are necessary to give a true and fair view of the state of affairs of the Company or such branch office and to explain its transaction.

- (4) The books of accounts and other Books and Papers shall be open to inspection by any Directors during business hours.

- (5) The Directors shall comply in all respects with Sections 128, 129, 133, 134, 136 to 138 of the said Act and any statutory modifications thereof.

140. The 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 of the Company, or any of them, shall be open to the inspection of the members not being Directors; and no member (not being a Director) shall have any right of inspection of any account or book or document of the Company except as conferred by law or authorised by the Directors.

Inspection to members when allowed

141. Subject to Section 129 of the Act at every Annual General Meeting of the Company the Directors shall lay before the Company a Financial Statement for each financial year.

Financial Statement to be laid before the members

142. The Financial Statement shall give a true and fair view of the state of affairs of the Company at the end of the period of the account. Financial Statement shall comply with the provisions of Sections 129 and 133 of the said Act.

Contents of Financial Statement

*Financial Statement
how to be signed*

143. The Financial Statement shall be signed in accordance with the provisions of Section 134 of the said Act.

144. The Directors shall make out and attach to every Balance Sheet laid before the Company in General Meeting a Report of the Board of Directors which shall comply with the requirements of and shall be signed in the manner provided by Section 134 of the said Act.

*Right of Members
to copies of
Financial
Statement and
Auditors' Report*

145. (1) A copy of every Financial Statement (including consolidated Financial Statement, the Auditors' Report and every other document required by law to be annexed or attached, as the case may be, to the Financial Statement) which is to be laid before the Company in General Meeting shall not less than twenty one days before the date of meeting be sent to every member, every trustee for the debenture holder of any debentures issued by the Company, to the Auditors of the Company, and every director of the Company. If the copies of the documents aforesaid are sent less than twenty one days before the date of the meeting they shall, notwithstanding that fact, be deemed to have been duly sent if it is so agreed by ninety five percent of the members entitled to vote at the meeting. The accidental omission to send the documents aforesaid, to or the non-receipt of the documents aforesaid by, any member or other person to whom it should be given shall not invalidate the proceedings at the meeting.

(2) Any member or holder of debentures of the Company whether he is or is not entitled to have copies of the Company's Financial Statement sent to him, shall on demand, be entitled to be furnished without charge, and any person from whom the Company has accepted a sum of money by way of deposit shall on demand accompanied by the payment of a fee of fifty rupees, be entitled to be furnished with a copy of the last Financial Statement and every other documents required by law to be annexed or attached thereto.

*Copies of Financial
Statement, etc., be
filed*

146. (1) A copy of the Financial Statement, including consolidated Financial Statement, if any, along with all the documents which are required to be or attached to such Financial Statement under this Act, duly adopted at the annual general meeting of the Company, shall be filed with the registrar within thirty days of the annual general meeting.

(2) If the Annual General Meeting before which a Financial Statement is laid as aforesaid does not adopt the Financial Statement, the un-adopted Financial Statement together with the other documents that are required to be attached to the financial statement shall be filed with the registrar within thirty days of the annual general meeting. Thereafter, the Financial Statement adopted at the adjourned annual general meeting shall be filed with the Registrar within thirty days of such adjourned annual general meeting.

*When accounts to
be deemed finally
settled*

147. Every account when audited and approved by a General Meeting shall be conclusive.

XVIII. BOARD OF DIRECTORS, THEIR QUALIFICATION AND REMUNERATION

148. Subject to Section 149 of the Act, the number of Directors of the Company shall not be less than three and not more than fifteen, inclusive of all kinds of Directors. The following persons shall be the first Directors of the Company:
1. Shri Mohan Lal Lohia
 2. Shri Om Prakash Lohia
 3. Shri Anil Prakash Lohia
149. If and when the Company shall issue debentures the holders of such debentures, or if and when the Company shall create a mortgage of any property, the mortgagee or mortgagees to whom such property shall be mortgaged, may have the right to appoint and nominate and from time to time remove and reappoint a Director or Directors, in accordance with the provisions of the Trust Deed securing the said debentures, or the deed creating such mortgages, as the case may be. A Director so appointed under this Article, is herein referred to as "The Debenture Director" and the term "Debenture Director" means a Director for the time being in office under the Article, and he shall have all the rights and privileges of an ordinary Director of the Company, except in so far as is otherwise provided for herein or by the Trust Deed securing the Debentures or the deed creating the mortgage, as the case may be.
- Debenture Director(s)*
150. Any deed for securing loans by the Company from financial corporations may be so arranged to provide for the appointment from time to time by the lending financial corporation of some person or persons to be a director or directors of the Company and may empower such lending financial corporation from time to time to remove and re-appoint any Director so appointed. A Director appointed under this Article is herein referred as "Nominee Director" and the term "Nominee Director" means any director for time being in office under this Article. The deed aforesaid may contain ancillary provisions as may be arranged between the Company and the lending corporation and all such provisions shall have effect notwithstanding any of the other provisions herein contained.
- Nominee Director(s)*
151. No Director of the Company be required to hold any qualification shares.
- Qualification of a Director*
152. The Directors shall arrange to maintain at the Registered Office of the Company a Register of Directors, Key Managerial Personnel, containing the particulars and in the form prescribed by Section 170 of the Act. It shall be the duty of every Director and other persons regarding whom particulars have to be maintained in such Registers to disclose to the Company any matters relating to himself as may be necessary to comply with the provisions of the said section.
- Register of Directors, etc. and of Directors Shareholdings*
153. A Director may receive remuneration by way of fee not exceeding such amount as may be permissible under the Rules for attending each meetings of the Board or Committee thereof; or of any other purpose whatsoever as may be decided by the Board.
- Fee for Directors*

154. Subject to the provisions of Section 197 of the said Act:

*Additional
Remuneration
for Services*

- (1) Any one or more of the Directors shall be paid such additional remuneration as may be fixed by the Directors for services rendered by him or them and any one or more of the Directors shall be paid further remuneration if any as the Company in General Meeting or the Board of Directors shall from time to time determine. Such remuneration and/or additional remuneration may be paid by way of salary or commission on net profits or turnover or by participation in profits or by way of perquisites or in any other manner or by any or all of those modes.
- (2) If any director, being willing shall be called upon to perform extra services, or to make any special exertion for any of the purposes of the Company, the Company in General Meeting or the Board of Directors shall, subject as aforesaid, remunerate such Director or where there is more than one such Director all or such of them together either by a fixed sum or by a percentage of profits or in any other manner as may be determined by the Directors and such remuneration may be either in addition to or in substitution for the remuneration above provided.

*Remuneration of
Committee*

155. The Directors may from time to time fix the remuneration to be paid to any member or members of their body constituting a committee appointed by the Directors in terms of these articles not exceeding such amount as is permissible under the Rules, per meeting attended by him.

*Expenses to
be reimbursed*

156. The Board of Directors may allow and pay to any Director fair compensation for his travelling and other expenses incurred in connection with the business of the Company including attendance at meeting of the Board or Committee thereof.

XIX. APPOINTMENT AND ROTATION OF DIRECTORS

*Appointment of
Directors*

157. A person shall not be capable of being appointed Director of the Company, if:-
- (i) he has been found to be unsound mind by court of competent jurisdiction;
 - (ii) he is an undischarged insolvent;
 - (iii) he has applied to be adjudicated as an insolvent and his application is pending;
 - (iv) he has been convicted by a Court in India of any offence involving moral turpitude or otherwise and sentenced in respect thereof to imprisonment for not less than 6 months, and a period of five years has not elapsed from the date of expiry of the sentence;
 - (v) he has not paid any call in respect of shares of the Company held by him, whether alone or jointly with others and six months have elapsed from the last day fixed for the payment for the call; or
 - (vi) an order disqualifying him for appointment as Director has been passed by a Court or Tribunal and the order is in force;

- (vii) he has been convicted of the offence dealing with related party transactions under Section 188; or
 - (viii) he has not complied with sub-section 3 of Section 152.
158. (1) The Company shall appoint such number of Independent Directors as it may deem fit, for a term specified in the resolution appointing him. An Independent Director may be appointed to hold office for a term of up to five consecutive years on the Board of the Company and shall be eligible for re-appointment on passing of Special Resolution and such other compliances as may be required in this regard. No Independent Director shall hold office for more than two consecutive terms. The provisions relating to retirement of directors by rotation shall not be applicable to appointment of Independent Directors.
- (2) Not less than two-thirds of the total number of Directors of the Company shall:
- (i) be persons whose period of office is liable to determination by retirement of Directors by rotation; and
 - (ii) save as otherwise expressly provided in the said Act; be appointed by the Company in General Meeting.
Explanation:- for the purposes of this Article "total number of Directors" shall not include Independent Directors appointed on the Board of the Company.
- (3) The remaining Directors of the Company shall also be appointed by the Company in General Meeting except to the extent that the Articles otherwise provide or permit.
159. (1) Subject to the provisions of Section 152 of the Act at every Annual General Meeting, one-third of such of the Directors for the time being as 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, shall retire from office.
- (2) The Directors to retire by rotation at every Annual General Meeting shall be those who have been longest in office since their last appointment, but as between persons who become 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.
- (3) (i) At the Annual General Meeting at which a Director retires as aforesaid, the Company may fill up the vacancy by appointing the retiring Director or some other person thereto.
- (ii) 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 National Holiday, till the next succeeding day which is not a holiday, at the same time and place.

Appointment of directors and proportion to retire by rotation

Provision regarding Directors retiring by rotation

A retiring Director shall be eligible for re-election

- (iii) 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 reappointment of such Director has been put to the meeting and lost;
 - (ii) 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;
 - (iii) he is not qualified or is disqualified for appointment;
 - (iv) a resolution, whether special or ordinary, is required for his appointment or re-appointment by virtue of any provisions of the said Act; or
 - (v) Section 162 is applicable to the case.

Removal of Director

160. The Company may by an ordinary resolution remove any Director (not being a Director appointed by the Tribunal in pursuance of Section 242 of the Act) in accordance with the provisions of Section 169 of the Act. A Director so removed shall not be re appointed a Director by the Board of Directors.

Notice of candidature when to be given

161. A person who is not a retiring Director shall subject to the provisions of the said Act, 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 Registered Office of the Company a notice in writing under his hand signifying his candidature for the office of Directors or as the case may be, the intention of such Member to propose him as a candidate for the office, along with deposit of one lakh rupees or such other amount as may be specified in the relevant Rules. The amount so deposited 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 25% of total valid votes.

Consent of candidate for Directorship to be filed with the Registrar

162. A person appointed as a Director shall not act as a Director unless he gives his consent to hold the office as director and such consent has been filed with the Registrar within thirty days of his appointment in such manner as prescribed in the relevant Rules.

Appointment of Directors to be voted on individually

163. (1) At a General Meeting of the Company a motion shall not be made for the appointment of two or more persons as Directors of the Company by a single resolution, unless a resolution that is shall be so made has first been agreed to by the meeting without any vote being given against it.

(2) A resolution moved in contravention of clause (1) shall be void, whether or not objection was taken at the time to its being so moved.

- (3) For the purpose of this Article a motion for approving a person's appointment or for nominating a person for appointing shall be treated as a motion for his appointment.

164. The Directors shall have power at any time and from time to time, to appoint any person other than a person who fails to get appointed as a director in a general meeting, as an additional director at any time. Each such Additional Director shall hold office only up to the date of the next following Annual General Meeting, or the last date on which the annual general meeting should have been held, whichever is earlier, but shall be eligible for appointment by the Company at that meeting as a Director.

Directors may appoint additional Directors

165. (1) If the office of any Director appointed by the Company in General Meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may be filled by the Board of Directors at a meeting of the Board.

Filling up of casual vacancies

(2) Any person so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if it has not been vacated as aforesaid.

166. (1) Subject to Section 161, the Board of Directors may appoint a person, not being a person holding any alternate directorship for any other Director in the Company, to act as an Alternate Director to act for a Director (hereinafter called "the Original Director") during his absence for a period of not less than three months from India.

Appointment of Alternate Director

(2) No person shall be appointed as an alternate director for an Independent Director unless he is qualified to be appointed as an Independent Director.

(3) An Alternate Director shall be entitled to notice of meetings of the Directors, and to attend and vote thereat accordingly.

(4) An Alternate Director shall vacate office if and when the Original Director returns to India.

(5) If the term of office of the Original Director is determined before he so returns to India as aforesaid any provision for the automatic reappointment of retiring Directors in default of another appointment shall apply to the Original Director and not to the Alternate Director.

(6) An Alternate Director may be removed by the Board of Directors which may appoint another Alternate Director in his place.

167. The continuing Directors may act notwithstanding any vacancy in their body, but, if and so long as their number is reduced below three, the continuing Directors may act for the purpose of increasing the number of Directors to the said number, or of summoning a General Meeting of the Company, but for no other purpose.

Directors may act notwithstanding vacancy

XX. RESIGNATION OF OFFICE BY DIRECTORS

168. Subject to the provisions of Section 168 of the Act a Director may at any time resign from his office upon giving notice in writing to the Company of his intention so to do, and thereupon his office shall be vacated.

Resignation of Director

XXI. PROCEEDINGS OF BOARD OF DIRECTORS

- Meeting of Directors* 169. A minimum number of four meetings of the Directors shall have been held in every year in such a manner that not more than one hundred and twenty days shall intervene between two consecutive meetings of the Board. The Directors may meet together for the conduct of business, adjourn and otherwise regulate their meeting and proceedings, as they think fit, and may determine the quorum necessary for the transaction of business.
- Meeting through video conferencing* 170. The Board of Directors shall be entitled to hold its meeting through video conferencing or other permitted means, and in conducting the Board meetings through such video conferencing or other permitted means the procedures and the precautions as laid down in the relevant Rules shall be adhered to. With regard to every meeting conducted through video conferencing or other permitted means, the scheduled venue of the meetings shall be deemed to be in India, for the purpose of specifying the place of the said meeting and for all recordings of the proceedings at the meeting.
- Notice of Meetings* 171. Subject to provisions of Section 173 (3) of the Act, notice of not less than seven days of every meeting of the Board of Directors of the Company shall be given in writing to every Director at his address registered with the company and shall be sent by hand delivery or by post or through electronic means. The meeting of the Board may be called at a shorter notice to transact urgent business subject to the condition that at least one Independent Director of the Company shall be present at the meeting. In the event, any Independent Director is not present at the meeting called at shorter notice, the decision taken at such meeting shall be circulated to all the directors and shall be final only on ratification thereof by at least one Independent Director.
- Quorum for Meetings* 172. 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 and the directors participating by video conferencing or by other permitted means shall also counted for the purposes of this Article. Provided that where at any time the number of interested Directors exceeds or is equal to two-thirds of the total strength, the number of the remaining Directors, that is to say, the number of the Directors who are not interested, being not less than two, shall be the quorum during such time. Explanation: The expressions "interested Director" shall have the meanings given in Section 184(2) of the said Act and the expression "total strength" shall have the meaning as given in Section 174 of the Act.
- Procedure of meeting adjourned for want of Quorum* 173. (1) If a meeting of the Board could not be held for want of a quorum then the meeting shall automatically stand adjourned to the same day in the next week, at the same time and place, or if that day is a National Holiday, till the next succeeding day which is not a National Holiday at the same time and place.
- (2) The provisions of Article 169 shall not be deemed to have been contravened merely by reason of the fact that a meeting of the Board which has been called in compliance with the terms of that Article could not be held for want of a quorum.

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| 174. | A meeting of the Directors for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and directions by law or under the Articles and regulations for the time being vested in or exercisable by the Directors generally. | <i>Power of Quorum</i> |
| 175. | The Chairman may, and manager or Secretary on the requisition of a Director shall, at any time, summon a meeting of the Board. | <i>When meetings to be convened</i> |
| 176. | Questions arising at any meeting of the Directors shall be decided by a majority of votes, and in case of an equality of votes, the Chairman thereat shall have a second or casting vote. | <i>Questions how decided</i> |
| 177. | The Directors may elect a Chairman of their meetings, and determine the period for which he is to hold office, and unless otherwise determined the Chairman shall be elected annually. If no Chairman is elected, or if at any meeting the Chairman is not present within five minutes of the time appointed for holding the same, or is unwilling to preside, the Directors present may choose one of their members to be the Chairman of such meeting. | <i>Chairman of Directors' meetings</i> |
| 178. | Subject to the provisions of Section 179 of the said Act, the Directors may delegate any of their powers, other than powers which by reason of the provisions of the said Act cannot be delegated to committees consisting of such member or members of their body as they may think fit, and they may from time to time revoke and discharge any such Committee either wholly or in part, and either as to persons or purposes. Every Committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on it by the Directors, and all acts done by any such Committee in conformity with such regulations and in fulfillment of the purpose of their appointment, but not otherwise, shall have the like force and effect as if done by the Board. | <i>Directors may appoint Committees</i> |
| 179. | The meetings and proceedings of any such Committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors, so far as the same are applicable thereto, and are not superseded by the express terms of the appointment of any such Committee, or by any regulations made by the Directors. | <i>Meeting and proceedings of Committee how governed</i> |
| 180. | A resolution not being a resolution required by the said Act or otherwise to be passed at a meeting of the Directors, may be passed without any meeting of the Directors or of a committee of Directors provided that the resolution has been circulated in draft, together with the necessary papers, if any, to all the Directors, or to all the members of the Committee as the case may be, at their addresses registered with the Company, by hand delivery or by post or courier or through electronic means as permissible under the relevant Rules and has been approved by a majority of the Directors as are entitled to vote on the resolution. | <i>Resolutions by circular</i> |
| 181. | All acts done by a person as a Director shall be valid, notwithstanding that it may be afterwards discovered that his appointment was invalid by reason of any defect or disqualification or had terminated by virtue of any provision contained in the said Act or in these Articles. Provided that this Article shall not give validity to acts done by a Director after | <i>Validity of acts of Directors</i> |

his appointment has been shown to the Company to be invalid or to have terminated.

Minutes of proceedings of the Board and the Committee

182. The Directors shall cause minutes to be duly entered in a book or books provided for the purpose in accordance with these presents and Section 118 of the Act.

Register of Directors and Key Managerial Personnel

183. (1) The Directors shall cause to be kept at the Registered Office.

- (a) a Register mentioned in Article 152; and
- (b) a Register of Contracts or arrangements of which they are interested, containing the particulars required by Section 189 of the Act.

Inspection of Registers

(2) The provisions contained in Article 103 (1)(b) and 103(2) relating to inspection and taking copies shall be mutatis mutandis be applicable to the registers specified in this Article.

XXII. APPOINTMENT OF KEY MANAGERIAL PERSONNEL

184. (1) Subject to the provisions of the Act,

- (i) A Key Managerial Personnel may be appointed by the Board for such term at such remuneration and upon such conditions as it may think fit and the Key Managerial Personnel so appointed may be removed by means of a resolution in the Board Meeting.
- (ii) A Director may be appointed as Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer.

XXIII. BORROWING POWERS OF DIRECTORS

Power to borrow - conditions on which money may be borrowed

185. (1) Subject to clause (2) hereof the Directors may, from time to time at their discretion raise or borrow, or secure the repayment of any loan or advance taken by the Company. Any such moneys may be raised and the payment or repayment of such moneys may be secured in such manner and upon such terms and conditions in all respects as the Directors may think fit and, in particular by promissory notes, or by opening current accounts or by receiving deposits and advances at interest, with or without security, or by the issue of debentures of debenture-stock of the Company charged upon all or any part of the property of the Company (both present and future), including its uncalled capital for the time being, or by mortgaging, charging or pledging any lands, buildings, machinery, plants, goods or other property and securities of the Company, or by such other means as to them may seem expedient.

Restrictions on powers of Board

(2) The Board of Directors shall not, except with the consent of the Company in General Meeting, borrow moneys where the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) will exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose. No debt by the Company in excess of limit imposed by

this Article shall be valid or effectual unless the lender proves that he advanced the loan in good faith and without knowledge that the limit imposed by that Article has been exceeded.

- (3) Any bonds, debentures, debenture-stock or other securities issued or to be issued by the Company, shall be under the Control of the 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.
- (4) Any such debentures, debenture-stock and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued. *Securities may be assignable free from equities*
- (5) If any other offer is made to the public to subscribe for or purchase debentures the provisions of the said Act relating to a prospectus shall be complied with.
- (6) (i) Any such debentures, debenture-stock, bonds or other securities may be issued at a discount, premium or otherwise, and on condition (with the consent of the Company in General Meeting) and they may have a right to allotment of or be convertible into shares of any denominations, and with any special privileges and conditions as to redemption (or being irredeemable), surrender, drawings, re-issue, attending at General Meeting of the Company, appointment of Directors, and otherwise, provided that no debentures, debenture-stock, bonds or other securities may be issued carrying voting rights. *Issue at discount, etc., or with special privilege*
- (ii) The Company shall have power to reissue redeemed debentures.
- (iii) A contract with the Company to take up and pay for any debentures of the Company may be enforced by a Deed for specific performance.
- (iv) The Company, shall within two months after the allotment of any of its shares, and six months after the allotment of any debentures or debenture-stock, and within one month after the application for the registration of the transfer of any shares, debentures or debenture-stock have completed and have ready for delivery the certificates of all shares, the debentures and the certification of all debenture-stock allotted or transferred, unless the conditions of issue of the shares, debentures or debenture-stock otherwise provide. The expression "transfer" of the purpose of the sub clause means a transfer duly stamped, dated and otherwise valid, and does not include any transfer which the Company is for any reason entitled to refuse to register and does not register. *Limitation of time for issue of certificates*
- (7) (i) A copy of any trust deed for securing any issue of debentures shall be forwarded to the holder of any such debentures or any member of the Company at his request *Right to obtain copy of Trust Deed*

and within seven days of the making thereof on payment of rupees fifty (Rs. 50/-);

(ii) The Court may also, by order, direct that the copy required shall forthwith be sent to the person requiring it.

Inspection of Trust Deeds

(iii) The Trust Deed referred to in sub-clause (i) shall be open inspection by any member or debenture holder of the Company in the same manner, to the same extent, and on payment of the same fees, as if it were the register of members of the Company.

Mortgage of uncalled capital

186. If any uncalled capital of the Company is included in or charged by any mortgagor other security, the Directors may, by instrument under the Company's seal, authorise the person in whose favour such mortgage or other 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 hereinbefore contained in regard to call shall mutatis mutandis apply to calls 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 Directors power or otherwise, and shall be assignable if expressed so to be.

Indemnity may be given

187. 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 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 person so becoming liable as aforesaid from any loss in respect of such liability.

Foreign register of members

188. The Company may exercise the power to keep foreign register of members or debenture holders or other security holders or beneficial owners residing outside India as provided in Section 88 of the Act.

XXIV. POWER OF DIRECTORS

Business of the Company to be managed by Directors

189. (1) Subject to the provisions of Sections 135, 179, 180, 181, 182, 183, 184, 185, 186, 188 and 203 of the Act, the Board of Directors of the Company shall be entitled to exercise all such powers, give all such consents, make all such arrangements, be nearly do all such acts and things as are or shall be by the said Act, and the memorandum of association and these precedents directed or authorized to be exercised, given, make or done by the Company and are not thereby expressly directed or required to be exercise, given, made or done by the Company in General Meeting, but subject to such regulations being (if any) not inconsistent with the said provisions as from time to time may be prescribed by the Company in General Meeting provided that no regulation so made by the company in General Meeting shall invalidate any prior act of the Directors which would have been valid if the regulations had not been made.

Power to delegate

(2) Save as provided by the said Act or by these presents and subject to the restrictions imposed by Section 179 of the said

Act, the Directors may delegate all or any powers by the said Act or by the Memorandum of Association or by these presents reposed in them.

190. Subject to the provisions of Articles 189 but without prejudice to the General Powers thereby conferred and so as not in any way to conferred by these presents, it is hereby expressly declared that the Directors shall have the following powers and authorities, that is to say power and authority:

*Specific Powers
to Directors*

- (1)
 - (i) to enter into agreements with foreign components and other persons for obtaining by granting licence or other terms, formulae and other rights and benefits and to obtain financial and or technical collaboration, technical information, knowhow and expert advice in connection with the activities and business permitted under the Memorandum of Association of the Company.
 - (ii) to take over and acquire the industrial licence, import licence, permit and other rights on payment of actual and out of pocket expenses incurred thereof, and compensation for technical services rendered in connection therewith.
 - (iii) to pay and charge to the Capital / Revenue Account of the Company the legal and other costs, charges and expenses of and preliminary and incidental to the promotion, formation, establishment and registration of the Company including the stamps and fees paid in respect thereof.
 - (iv) to pay and charge to the Capital / Revenue Account of the Company any commission or interest lawfully payable under the provisions of the said Act.
 - (v) to carry out activities that are specified in Schedule VII of the Act, and for this purpose expend/ incur the monies of the company, and all monies so expended or incurred for this purpose shall also be construed to be for the purpose of the Company's business.
- (2) to purchase in India or elsewhere any machinery plant, stores and other articles and things for all or any of the objects or purpose of the Company.
- (3) to purchase, take on lease or otherwise acquire in India any lands (whether freehold, leasehold or otherwise) and with or without houses, buildings, structures or machinery (fixed or loose) and any moveable property, rights or privileges (including intellectual property rights) from any person including a Director in furtherance of or for carrying out its objects, at or for such price or consideration and generally on such terms and conditions and with such titled thereto as they may think fit or may believe or be advised to be reasonable satisfactory.
- (4) to purchase, or otherwise acquire from any person and to resell, exchange, and repurchase any patent for or licence for the use of any invention.

- (5) to purchase or otherwise acquire for the Company any other property, formulae, concessions, rights and privileges which the Company is authorised to acquire, at or for such price or consideration and generally on such terms and conditions as they may think fit.
- (6) in any such purchase or other acquisition to accept such titled as the Directors may believe or may be advised to be reasonably satisfactory. At their discretion to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partly in cash or in shares, or in both, or in bonds, debentures, mortgages or other securities of the Company, and any such shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon and any bonds, debentures, mortgages or other securities, may be either specifically charged upon all or any part of the property of the Company, and its uncalled capital or not so charged.
- (7) to sell for cash or on credit or to contract for the sale and future delivery of or to and for sale in any part of India or elsewhere any products or Articles produced, manufactured or prepared by the Company as the Directors may deem advisable.
- (8) to erect, construct, and build and factories, warehouses, godowns, engine houses, tanks, wells, or other constructions, adopted to the objects of the Company or may be considered expedient or desirable for the objects or purposes of the Company or any of them;
- (9) to sell from time to time any articles, materials, machinery, plant, stores and other articles and things belonging to the Company as the Directors may think proper and to manufacturer, prepare and sell waste and by-products;
- (10) from time to time to extend the business and undertaking of the Company by adding to, altering, or enlarging all or any of the building, factories, workshops, premises, plant and machinery, for the time being the property or in the possession of the Company, or by erecting new or additional buildings, and to expend such sums of money for the purposes aforesaid or any of them, as may be thought necessary or expedient;
- (11) to remove all or any of the machinery, plant and other movable property of the Company for the time being in or upon lands, buildings, or premises of the Company to other lands, buildings, or premises;
- (12) to negotiate for, and subject to the approval of the Company in General Meeting, contract for the sale and transfer of all or any part of the property and undertaking of the Company as a going concern, subject or not subject to all or any of the obligations and liabilities of the Company;
- (13) to undertake on behalf of the Company the payment of all rents the performance of all covenants, conditions and agreements

contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company, and to purchase the reversion or reversions, and otherwise to acquire the freehold or fee-simple of all or any of the lands of the Company for the time being held under lease, or for an estate less than a free hold estate;

- (14) to improve, manage, develop, exchange, lease, sell, re-sell and re- purchase, dispose of, deal with or otherwise turn to account and property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested;
- (15) 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 unpaid capital for the time being or in such manner as they may think fit;
- (16) to accept from any member, on such terms and conditions as shall be agreed upon and as far as may be permissible by law, a surrender of his shares or any part thereof;
- (17) to determine from time to time who shall be entitled to sign on the Company's behalf bills, notes, receipts, acceptances, endorsement, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purposes;
- (18) to make advances and loans without any security, or on such security as they may think proper and to take security for already existing debts, and otherwise to invest and deal with any of the moneys of the Company not immediately required for the purpose thereof in Government or Municipal securities, fixed deposits in banks and in such other manner as they may think fit and from time to time vary or realise such investments, and for the purpose aforesaid to authorise such persons within limits to be fixed from time to time by the Board;
- (19) to make and give receipts, releases and other discharges for moneys payable to, or for goods or property belonging to the Company, and for the claims and demands of the Company;
- (20) subject to the provisions of Sections 179, 180 and 186 of the said Act, to invest and deal with any moneys of the Company not immediately required of the purposes thereof, upon such security (not being shares of the Company) or without security and in such manner as they may think fit, and from time to time to vary or realise such investments, Save as provided in Section 187 of the said Act all investments shall be made and held in the Company's own name;
- (21) to give to any officer or other person employed by the Company including any Directors so employed, a commission on the profits of any particular business or transaction, or a share in general or particular profits of the Company, and such commission or share

of profits shall be treated as part of the working expenses of the Company and to pay commissions and make allowances to any person introducing business to the Company or otherwise assisting its interests;

- (22) subject to the provisions of Section 187 of the said Act to appoint any person or persons (whether incorporated or not) to accept and hold in trusts for the Company any property belonging to the Company, or in which the Company is interested or for any other purposes and to execute and do all such acts, deeds and things as may be requisite in relation to any such trust, and to provide for the remuneration of such trustee or trustees;
- (23) to insure and keep insured against loss or damage or fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, produce and other movable property of the Company either separately or conjointly, also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power;
- (24) to attach to any shares to be issued as the consideration or part of the consideration for any contract with or property acquired by the Company, or in payment for services rendered to the Company, such conditions as to the transfer thereof as they think fit;
- (25) 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 personal liability for the benefit of the Company, such mortgages of the Company's property (present and future) as they may think fit and any such mortgage may contain a power of sale and such other powers, covenants and provisions as shall be agreed upon;
- (26) to institute, conduct, defend, compound, abandon or refer to arbitration any action, suit, appeals, proceedings, for enforcing decrees and orders and other legal proceedings by or against the Company or its officers, or otherwise concerning the affairs of the Company, to compound or compromise and allow time for payment or satisfaction of any debts due and of any claims or demands by or against the Company and to refer the same or arbitration, to observe and perform any awards made there on; to act on behalf of the Company in all matters relating to bankrupts and insolvents;
- (27) The person duly authorised by the Directors shall be entitled to make, give, sign and execute all and every warrant to use or defend on behalf of the Company, and all and every legal proceedings and compositions or compromise, agreements, and submission to arbitration and agreement to refer to arbitration as may be requisite, and for the purposes aforesaid, the Secretary or such other person may be empowered to use their or his own

name on behalf of the Company, and they or he shall be saved harmless and indemnified out of the funds and property of the Company, from and against all costs and damages which they or he may incur or be liable to by reason of their or his name so used as aforesaid;

- (28) to provide for the welfare of the employees or ex-employees of the Company, and the wives, widows and families or the dependants or connects of such persons and to give, award or allow any pension, gratuity, compensation, grants of money, allowances, bonus, stock options (including other stock related compensation) or other payment to or for the benefit of such persons as may appear to the Directors just and proper, whether they have or have not a legal claim upon the Company, and before recommending any dividends to set aside portions of the profits of the Company to form a fund to provide for such payments and in particular to provide for the welfare of such persons, by building or contributing to the building of houses, dwelling or chawls, or by creating and from time to time subscribing or contributing to provident and other associations, institutions, funds, or trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Directors shall think fit; and to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions, or objects which shall have any moral or other claim to support or aid by the Company either by reason of locality of operation or of public and general utility;
- (29) before recommending any dividend, to set aside, out of the profits of the Company such sums for depreciation as provided in Section 123 of the said Act and such sums as they think proper for creating reserves, general or specific or special funds to meet contingencies or to repay debentures or debenture-stock or to pay off preference of other shareholders subject to the sanction of the Court when the same is required by law on for payment of dividends or equalising dividend or for special dividends or bonus or for repairing, improving, extending and maintaining any part of the property of the Company and for such other purposes (including the purposes referred to in the preceding clause) as the Directors may in their absolute discretion think conducive to the interest of the Company and from time to time to carry forward such sums as may be deemed expedient and to invest and deal with the several sums to set aside or any part thereof as provided in Clause (18) of this Article as they think fit, and from time to time to deal with and vary such investment and dispose of and apply and expend the same or any part thereof for the benefit of the Company in such manner and for such purpose as the Directors in their absolute discretion think conducive to the interest of the Company notwithstanding that the matters to which the Directors apply or upon which they

expend the same or any part thereof for the benefit of the Company in such manner and for such purpose as the Directors in their absolute discretion think conducive to the interest of the Company notwithstanding that the matter to which the Directors apply or upon which they expend the same or any part thereof may be matters to and upon which the capital money of the Company might rightly be applied or expended and the Directors may divide the Reserve or any Fund into such special funds and transfer any sum from one fund to another as they may think fit and may employ the assets constituting all or any of the above funds including the Depreciation Fund or any part thereof in the business of the Company or in the purchase or repayment of debentures or debenture-stock or preference shares or in payment of special dividend or bonus and that without being bound to keep the same separate from the other assets, and without being bound to pay interest for the same with power however to the Directors at their discretion to pay or allow to the credit of such funds or any of them the interest at such rate as the Directors may think proper not exceeding 9 per cent per annum;

- (30) from time to time and at any time to entrust to and confer upon the officers for the time being of the Company, and to authorise, or empower them to exercise and perform and by Power-of-Attorney under seal to appoint any person to be the Attorney of the Company and invest them with such of their powers, authorities, duties and discretion exercisable by or conferred or imposed upon the Directors, but not the power to make Calls or other power which by law are expressly stated to be incapable of delegation as the Directors may think fit, and for such time and to be exercised for such objects and purposes and subject to such restrictions and conditions, as the Directors may think proper or expedient, and either collaterally with or to the exclusion of and in substitution for all or any of the powers, authorities, duties and discretions of the Directors in that behalf, with authority to the Secretary or such officers or attorney to sub-delegate all or any of the powers, authorities, duties, and discretions for the time being vested in or conferred upon them and from time to time to revoke all such appointments of attorney and withdraw, alter or vary all or any of such powers, authorities, duties and discretions;
- (31) to appoint, and at their pleasure to remove, discharge, or suspend and to reemploy or replace, for the management, of the business, secretaries, managers, experts, engineers, accountants, agents, subagents, bankers, brokers, solicitors, officers, clerks, servants and other employees for permanent, temporary or special services as the Directors may from time to time think fit, and to determine their powers and duties and fix their emoluments, salaries, wages, and to require security in such instances and to such amount as they think fit, and to ensure and arrange for guarantee for fidelity of any employees of the Company and to pay such premiums on any policy of guarantee as may from time to time become payable;

- (32) from time to time and at any time to establish any local Board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any persons to be members of any Local Boards 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 discretions for the time being vested in the Directors, other than their power to make a Call 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 on such terms and subject to such conditions as the Directors may think fit, and the Directors may at any time remove any person so appointed, and may annul or vary any such delegation. Any such delegate may be authorised by the Directors to sub-delegate all or any the powers, authorities and discretions for the time being vested in him;
- (33) at any time and from time to time by power-of-attorney 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 or exercisable by the 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 appointment (if the Directors think fit) may be made in favour of the members or any of the members of any Local Board established as aforesaid or in favour of any Company or the members, Directors, nominees, or Managers of any Company or firm or otherwise in favour of any fluctuating body or persons whether nominated directly or indirectly by the Directors, and any such Power-of attorney may contain such powers for the protection or convenience of persons dealing with such Attorney as the Directors may think fit;
- (34) from time to time to provide for the management transaction of the affairs of the Company outside the Registered Office or in any specified locality in India or outside India, in such manner as they think fit and in particular to appoint any person to be the Attorneys or agents of the Company with such powers, authorities and discretions (including power to sub- delegate) but not exceeding those vested in or exercisable by the Directors, and also not the power to make calls or issue debentures and for such period, and upon such terms and subject to such conditions as the Directors may think fit, and at any time to remove any person so appointed or withdraw or vary any such powers as may be thought fit, and for that purpose the Company may exercise the powers conferred by Section 88 of the Act relating to keep in any State or country outside India a foreign Register respectively and such powers shall accordingly be vested in the Directors;
- (35) for or in relation to any of the matters aforesaid or otherwise for the purpose and objects of the Company to enter into all such

negotiations and contracts and rescind and vary all such contracts, and execute, perform and do and sanction, and authorise all such acts, deeds, matters and things, including matters that are incidental and/or ancillary thereto, in the same and on behalf of the Company as they may consider expedient;

- (36) to open accounts with any bank or bankers or with any Company, firm or individual for the purpose of the Company's business and to pay money into and draw money from any such account from time to time as the Directors may think fit;
- (37) generally subject to the provisions of the Act and these Articles to delegate the powers, authorities and discretions vested in the Directors to any Key Managerial Personnel, firm, Company or fluctuating body of persons as aforesaid;
- (38) to authorise the issue of securities (including depository receipts), whether convertible to shares or not, as per applicable laws, either as a primary issue or a secondary offering.

XXV. MANAGING DIRECTOR(S)

*Power to appoint
Managing Director*

191. Subject to the provisions of Sections 196, 197 and 203 of the Act, the Directors may from time to time appoint one or more of their body to be Managing Director, Joint Managing Director or Managing Directors, Whole-time Director, Manager or Chief Executive Officer of the Company either for a fixed term or without any limitation as to the period for which he or they is or are to hold such office but in any case not exceeding five years at a time and may from time to time remove or dismiss him or them from office and appoint another or others in his or their place or places.

*What provisions
he will be
subject to*

192. A Managing Director or Joint Managing Director subject to the provisions contained in Article 184 shall not while he continues to hold that office be subject to retirement by rotation and he shall not be taken into account in determining the rotation of retirement of Directors or the number of Directors to retire but he shall, subject to the terms of any contract between him and the Company, be subject to the same provisions as to resignation and removal as the Directors of the Company, and if he ceases to hold the office of Directors from any cause shall ipso facto and immediately cease to be Managing Director.

*Remuneration of
Managing Director*

193. The remuneration of a Managing Director and Joint Managing Director shall from time to time be fixed by the Directors and may be by way of salary or commission or participating in profits or by way or all of those modes or in other forms shall be subject to the limitations prescribed in Section 197 of the Act.

*Powers and duties
of Managing
Director(s)*

194. The Directors may from time entrust to and upon a Managing Director or Joint Managing Director for the time being such of the powers exercisable under these Articles by the Directors 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 think expedient, and they may confer such powers either collaterally with or to the exclusion of and in

substitution for all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any of such powers, unless and until otherwise determined a Managing Director may exercise all the powers exercisable by the Directors, save such powers as by the Act or by these Articles shall be exercisable by the Directors themselves.

XXVI. SECRETARY

195. (1) The Directors may from time to time appoint and at their discretion remove, a person (hereinafter called "the Secretary") to keep the Registers required to be kept by the Company, to perform any other function which by the said Act or by these Articles are to be performed by the Secretary and to execute any other duties which may from time to time be assigned to the Secretary by the Directors.
- (2) The Directors may any time appoint a temporary substitute for the Secretary who shall for the purpose of these Articles be deemed to be the Secretary.

XXVII. INDEMNITY TO AND PROTECTION OF DIRECTORS AND OFFICERS

196. (1) The Board shall be entitled to meet out of the funds of the Company to defend, every officer of the Company as defined by Section 2(59) of the said Act, or any person (whether an officer of the Company or not) employed by the Company, against all claims made on them (including losses, expenses, fines, penalties or such levies), in or about the discharge of their respective duties.
- (2) Every Officer of the Company, as defined by Section 2(59) of the said Act, or any person (whether an Officer of the Company or not) employed by the Company, shall be entitled to direct the Company to meet all claims, losses, expenses, fines, penalties or such other levies, expended by them, respectively in or about the discharge of their respective duties, out of the funds of the Company against all such liabilities, including attorney fees, incurred by them in defending any proceedings under the Act, or other laws applicable to the Company, and/or its subsidiaries in any jurisdiction.
- (3) The Company may take and maintain any insurance as the Board may think fit on behalf of its directors (present and former), other employees and the Key Managerial Personnel, for insurers to directly meet all claims, losses, expenses, fines, penalties or such other levies, or for indemnifying any or all of them against any such liability for any acts in relation to the Company for which they may be liable.
197. No Director of the Company, Manager, Secretary, Trustee, Auditor and other officer or servant of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or officer or servant or for joining in any receipts or other act for the sake of conformity

Indemnity

Directors and other officers not responsible for acts of others

merely or for any loss or expenses happening to the Company through the insufficiency or deficiency in point of titles or value of any property acquired by the order of the Directors for or on behalf of the Company or mortgaged to the Company or for the insufficiency 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, Company or corporation to or with whom any moneys, securities or effects of the Company shall be entrusted or deposited or for any loss occasioned by any error of judgement, omission default or oversight on his part or for any other loss, damage or misfortune whatever which shall happen in relation to the execution or performance of the duties of his office or in relation thereto, unless the same happen through his own dishonesty.

198. An Independent Director, and a non-executive director not being a promoter or a Key Managerial Personnel, shall be liable only in respect of acts of omission or commission, by the Company which had occurred with his knowledge, attributable through Board processes, and with his consent or connivance or where he has not acted diligently.

XXVIII. SEAL

The Seal, its custody and use

199. (1) The Directors shall provide a Common 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 thereto and the Directors shall provide for the safe custody of the seal for the time being. The seal of the Company shall never be used except by the authority of a resolution of the Board of Directors and in presence of one of Directors or such other persons as the Board may authorise, who will sign in token thereof and countersigned by such officers or persons as the Directors may from time to time resolve.
- (2) Any instrument bearing the Common Seal of the Company and issued for valuable consideration shall be binding on the Company notwithstanding any irregularity touching the authority of the Directors to issue the same.

XXIX. NOTICES AND SERVICE OF DOCUMENTS

Members to notify address for registration

200. It shall be imperative on every member or notify to the Company for registration his place of address in India and if he has no registered address within India to supply to the Company an address within India for giving of notices to him. A member may notify his email address if any, to which the notices and other documents of the Company shall be served on him by electronic mode. The Company's obligation shall be satisfied when it transmits the email and the company shall not be responsible for failure in transmission beyond its control.

Notices

201. Subject to Section 20 of the said Act, a document may be served by the Company on any member thereof by sending it to him by post or by registered post or by speed post or by courier or by delivering at his address (within India) supplied by him to the Company for the service of notices to him. The term courier means person or agency who or which delivers the document and provides proof of its delivery.

202. Every person, who by operation of law, transfer or other means whatsoever, shall become entitled to any share, shall be bound by any and every notice and other document in respect of such share which previous to his name and address being entered upon the register shall have been duly given to the person from whom he derives his title to such share. *Transfer of successors in title of members bound by notice given to previous holders*
203. Any notice required to be given by the Company to the members or any of them and not expressly provided for by these presents shall be sufficiently given, if given by advertisement, once in English and once in a vernacular daily newspaper circulating in the city, town or village in which the registered office of the Company is situate. *When notice may be given by advertisement*
204. Any notice or document served in the manner hereinbefore provided shall notwithstanding such member be then dead and whether or not the Company has notice of his death, be deemed to have been duly served in respect of any share, whether held solely or jointly with other persons by such member, until some other person be registered in his stead as the holder or joint-holder thereof and such service, for all purposes of these presents be deemed a sufficient service of such notice or documents on his heirs, executors, administrators and all person (if any) jointly interested with him in any such shares. *Service of notice good notwithstanding death of member*
205. Any notice given by the Company shall be signed (digitally or electronically) by a Director or by the Secretary or some other officer appointed by the Directors and the signature thereto may be Written, Facsimile, Printed, Lithographed, Photostat. *Signature to notice*
206. A document may be served on the Company or on an officer thereof by sending it to the Company or officer at the Registered Office of the Company by post or by Registered Post or by leaving it at its Registered Office, or by means of such electronic mode or other mode as may be specified in the relevant Rules. *Service of documents on company*

XXX. SECRECY CLAUSE

207. No member shall be entitled to visit any works of the Company without the permission of the Directors or to require discovery of or any information respecting any detail of the Company's working, trading or any matter which is or may be in the nature of a secret, mystery of trade or secret process, which may relate to the conduct of the business of that Company and which in the opinion of the Directors, it will be in expedient in the interest of the members of the Company to communicate to the public. *Secrecy Clause*

XXXI. WINDING-UP

208. If upon the winding-up of the Company, the surplus assets shall be more than sufficient to repay the whole of the paid-up capital, the excess shall be distributed amongst the members in proportion to the capital paid or which ought to have been paid-up on the shares at the commencement of the winding-up held by them respectively, other than the amounts paid in advance of calls. If the surplus assets shall be insufficient to repay the whole of the paid-up capital, such surplus 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, other than the amounts paid by them in advance of calls. But this Article is without prejudice to the rights of the holders of any shares issued upon special terms and conditions and shall not be construed so as to or be deemed to confer upon them any rights greater than those conferred by the terms and conditions of issue.

Distribution of assets in specie

209. If the Company shall be wound-up whether voluntarily or otherwise, the following provisions shall take effect:

- (1) The Liquidator may, with the sanction of a Special Resolution, divide among the contributories in specie or kind any part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in trustees upon such trust for the benefit of the contributories or any of them, as the Liquidator with the like sanction shall think fit.
- (2) If thought fit, any such division may 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 excluded 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 the right to dissent and shall have ancillary rights as if such determination were a Special Resolution passed pursuant to Section 319 of the said Act.
- (3) 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 seven days after the passing of the Special Resolution by notice in writing, direct the Liquidator to sell his proportion and pay him the proceeds and the Liquidator shall, if practicable, act accordingly.

Liquidator may sell shares in another Company

210. Any such Liquidator may, irrespective of the powers conferred upon him by the said Act and as an additional power conferring a general or special authority, sell the undertaking of the Company or the whole or any part of its assets for shares fully or partly paid-up or the obligations of or other interest in any other Company and may by the contract of sale agree for the allotment to the members directly of the proceeds of sale in proportion to their respective interests in the Company and in case the shares of this Company shall be of different classes, may arrange for the allotment in respect of preference shares of the Company, to obligations of the purchasing Company or of shares of the purchasing Company with preference or priority over or with a larger amount paid-up than the shares allotted in respect of ordinary shares of this Company and may further by the contract, limit a time at the expiration of which shares, obligations or other interests not accepted or required to be sold, shall be deemed to have been refused and be at the disposal of the Liquidator.

211. Upon any sale under the last preceding Article or under the powers given by Section 319 of the said Act, no member shall be entitled to require the Liquidator either to abstain from carrying into effect the sale or the resolution authorising the same or to purchase such member's interest in this Company, but in case any member shall be unwilling to accept the share, obligations or interests to which under such sale he would be entitled, he may, within seven days of the passing of the resolution authorising the sale, by notice in writing to the Liquidator, require him to sell such shares, obligations or interests and thereupon the same shall be sold in such manner as the Liquidator may think fit and the proceeds shall be paid over to the member requiring such sale.

*Sale under
Sections 319
of the
Companies
Act, 2013*

XXXII. GENERAL POWERS

212. Where any provisions of the said Act, provides that the Company shall do such act, deed, or thing, or shall have a right, privilege or authority to carry out a particular transaction, only if it is so authorised in its Articles, in respect of all such acts, deeds, things, rights, privileges and authority, this Article hereby authorises the Company to carry out the same, without the need for any specific or explicit Article in that behalf.

General Powers

PART "B"

SPECIAL PROVISIONS PURSUANT TO THE INVESTMENT AGREEMENT DATED 21 JANUARY 2019 (AS DEFINED BELOW)

213. DEFINITIONS AND INTERPRETATION

213.1 Definitions

In this Agreement, except where the context otherwise requires (a) capitalized terms defined anywhere in this Agreement by inclusion in quotations and/or parenthesis have the meanings so ascribed, and (b) the following terms shall have the following meanings:

"Account Date" means 31 March 2018

"Affiliate" means, any person or entity which controls, is controlled by, or is under the common control of another person or entity. The term "control" shall mean, in case of a Company: (i) the beneficial ownership, directly or indirectly, of more than 50% of the voting securities of such entity; or (ii) control of the majority of the composition of the board of directors of such entity; or (iii) the power to direct the management or policies of such entity, by contract or otherwise and in case of an individual, his/her immediate relative (as defined under Takeover Code) provided that Mr. Alope Lohia, his wife and children shall not be considered to be affiliated with Mr. O. P. Lohia, his wife and children for the purpose of this Agreement.

"Applicable Law(s)" means all applicable laws, (whether statutory in tort, equity or otherwise) bye-laws, rules, regulations, orders, ordinances, protocols, codes, guidelines, policies, directions, judgments, decrees or other requirements or official directives of any Governmental Authority or Person acting under the authority of any Governmental Authority and/or of any statutory authority, and specifically including, the RBI, SEBI and/or of a stock exchange, Competition Commission of India whether in effect on the date of this Agreement or thereafter.

"Agreement" means this investment agreement together with its recitals and Schedules, as amended and/or restated from time to time.

"Associate" has the meaning ascribed to the term "associate company" in the Companies Act, 2013.

"Authorisation" means:

- (a) an authorisation, consent, approval, resolution, licence, exemption, filing, lodgement or registration; or
- (b) in relation to anything which will be fully or partly prohibited or restricted by Applicable Laws if a Governmental Authority intervenes or acts in any way within a specified period after lodgement filing, registration or notification, the expiry of what period without intervention or action.

"Board" or **"Board of Directors"** means the Board of Directors of the Company.

"Business" shall have the meaning ascribed to such term in Recital A.

"Business Day" means a day (other than Sunday or a bank holiday) on which banks, stock exchanges and the money markets are open for general business in Netherlands, Bangkok and New Delhi.

"Business Plan" shall mean a set of strategic, financial and operating plan for the Company covering sales, marketing, procurement, managing cost and financing activities.

“Chairman” shall mean the Chairman of the Board.

“Charter Documents” means the Memorandum of Association and Articles of Association of the Company, as amended from time to time.

“Closing” means completion of the allotment and issue of the Subscription Shares to INBV, on the Closing Date in accordance with Article 216.1.2 (*Closing Actions*).

“Closing Date” shall have the meaning ascribed to such term in Article 216.1 (*Closing Date*).

“Companies Act” means the Companies Act, 2013 (to the extent notified and effective), the Companies Act, 1956 (to the extent not superseded by the provisions of the Companies Act, 2013 which are notified and effective) and for any matters or affairs prior to the notification of the relevant provisions of the Companies Act, 2013, the Companies Act, 1956 and shall include the rules, regulations, circulars and notifications issued thereunder and any other statutory amendment or re-enactment thereof.

“Conditions Precedent” has the meaning ascribed to such term in Article 215.1 (*Conditions Precedent*).

“Confidential Information” means the terms of the Transaction Documents and any/all confidential or proprietary information and materials, as well as all trade secrets, relating to the business, products, affairs, performance and finances, belonging to the Parties to this Agreement, who furnished such information, materials, and/or trade secrets, to such Parties with expectations of confidentiality (to the extent the receiving parties know or reasonably should know of such expectations) without limitation and regardless of whether such information or materials are expressly identified as confidential or proprietary, whether or not stored in any medium.

“Director” means a director on the Board of the Company.

“Encumbrance” means, as the case may be, any encumbrance including without limitation (a) any security interest, claim, mortgage, pledge, charge, hypothecation, escrow, custody arrangement, lien, negative lien, lease, title retention, deposit by way of security, beneficial ownership, or any other interest held by a third Person, (b) security interest or other encumbrance of any kind securing, or conferring any priority of payment in respect of, any obligation of any Person, (c) power of attorney in relation to the shares of other assets, voting trust agreement, interest, option or right of pre-emption, right of first offer, right of first refusal, drag-along right or other transfer restriction in favour of any Person, and/or (d) any adverse claim as to title, possession or use.

“Environment” means living organisms including the ecological systems, of which they form part and the following media:

- (a) air (including air within natural or man-made structures, whether above or below ground);
- (b) water (including territorial, coastal and inland waters, water under or within land and water in drains and sewers); and
- (c) Land (including land under water).

“Environmental Law” means the applicable laws and regulations of any relevant jurisdiction concerning or applicable with regards to: (a) the pollution or protection of, or compensation of damage or harm to, the Environment; (b) occupational or public health and safety; or (c) emissions, discharges or release into, or the presence in, the Environment or of the use, treatment, storage, disposal, transportation or handling of

Hazardous Substances (including without limitation taxation or any obligation to purchase credits or allowances or to provide financial security with regard to any such activities).

“Environmental Licence” means any applicable approval, authorisation, licence (including statutory licence), consent or permission required under or in relation to any Environmental Law as may be applicable to the business of the Company.

“Equity Shares” means the issued the fully paid-up equity shares of the Company having a face value of Rs.10 (Rupees Ten) each and all other (in any) shares resulting from any subdivision, consolidation or reclassification of shares in the equity share capital of the Company.

“Execution Date” means the date of execution of this Agreement.

“Final Listing Approval” means the final approval for listing and trading of the Subscription Shares on the Stock Exchanges in accordance with Applicable Law.

“Financial Indebtedness” means any indebtedness for or in respect of:

- (a) moneys borrowed;
- (b) any amount raised by acceptance under any acceptance credit facility or dematerialized equivalent;
- (c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;
- (d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with IndAS, be treated as a finance or capital lease;
- (e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);
- (f) any amount raised under any other transaction (including any forward sale of purchase agreement) having the commercial effect of a borrowing;
- (g) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value shall be taken into account);
- (h) shares which are expressed to be redeemable or any shares or instruments convertible into shares or any shares of other securities which are otherwise the subject of a put option or any form of guarantee;
- (i) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution;
- (j) any amount of any liability under any advanced or deferred purchase agreement if one of the primary reasons behind the entry into such agreement is to raise finance;
- (k) any obligation under any put option arrangement or guarantee or indemnity in respect of any put option where that put option or guarantee is granted or entered into primarily as a method of raising or assuring the payment or repayment of any indebtedness;
- (l) the amount of any liability in respect of any guarantee or indemnity (without double counting) for any of the items referred to in paragraphs (a) to (k) above.

“Governmental Authority” means any government or any governmental agency, regulatory, semi-governmental or judicial entity or authority (including, without limitation, any stock exchange or any self-regulatory organization established under any Applicable Laws).

“Group” means the Company and each of its Affiliates and Associates.

“Hazardous Substances” means any waste, pollutant, contaminant or other substance (including any liquid, solid, gas, iron, living organism or noise) that may be harmful to human health or other life or the Environment or a nuisance to any person or that may make the use or ownership of any affected land or property more costly.

“Holding Company” means, in relation to a company, any other company of which it is a Subsidiary.

“IndAS” shall mean the Indian Accounting Standard as applicable in India from time to time.

“INR” or **“Rs.”** Or **“Rupees”** means the lawful currency of the Republic of India.

“INBV Demat Account” means the beneficial ownership account in INBV as notified by INBV to the Company.

“Material Adverse Effect” means, the effect or consequence of an event, circumstance, occurrence or condition, which has a material and adverse effect on:

- (a) the business, condition (financial or otherwise), operations, performance, assets, prospects, or credit standing or business activities of any Company from the date of execution of Transaction Documents;
- (b) the ability of the Company and the OP Lohia Group to perform and comply with any of their respective obligations under Transaction Documents; or
- (c) the validity, the legality of enforceability of, or the rights or remedies of INBV under Transaction Documents.

“Material Contract” shall mean contracts relating to the Company, exceeding an amount of INR 1 Crore or INR 1 Crore per annum as the case may be.

“Occupier” shall mean the director nominated by INBV who is designated as occupier by the Board.

“OCDs” means the 20 (Twenty) 12% Optionally Convertible Debentures issued to Mr. O. P. Lohia, convertible into 56,86,664 (Fifty-Six Lakhs Eighty Six Thousand Six Hundred Sixty Four) equity shares of the Company.

“Ordinary Course of Business” means the usual, regular and ordinary course of business consistent with past custom and practice of the Company at arms-length basis.

“Open Offer” has the meaning ascribed to such term in Article 214.4.

“Parties” means collectively INBV, the OP Lohia Group and the Company; and **“Party”** means each of the individually.

“Proceeds Account” means the current account to be opened by the Company for the purpose of receiving the share application money from INBV.

“Restricted Party” means a person that is: (a) listed on, or owned or controlled by a person listed on, or acting on behalf of a person listed on, any Sanctions List; (b) located in, incorporated under laws of, or owned or (directly or indirectly) controlled by, or acting on behalf of, a person located in or organized under the laws of a country or

territory that is the target of country-wide or territory-wide Sanctions (including, but not limited to, Cuba, Iran, North Korea, North Sudan, Syria, and the Crimea region in Ukraine); or (c) otherwise a target of Sanctions (“**Target of Sanctions**” signifying a person with whom a US person or other national of a Sanctions Authority would be prohibited or restricted by law from engaging in trade, business or other activities).

“**Sanctions**” means any trade, economic, sectoral or financial sanctions laws, regulations, embargoes or restrictive measures administered, enacted or enforced by: (a) the United States government; (b) the United National Security Council; (c) the European Union; (d) the United Kingdom; or (e) the respective governmental institutions and agencies of any of the foregoing or any other relevant sanctions authority, including, without limitation, OFAC, the United States Department of State and Her Majesty’s Treasury (“**HMT**”) (together “**the Sanctions Authorities**”).

“**Sanctions List**” means the “Specially Designated Nationals and Blocked Persons” list maintained by OFAC, the Consolidated List of Financial Sanctions Targets and the Investment Ban List maintained by HMT, or any similar list maintained by, or public announcement of Sanctions designation made by, any of the Sanctions Authorities.

“**SEBI**” means the Securities and Exchange Board of India.

“**SEBI LODR Regulations**” means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

“**Share Equivalents**” means (a) warrants, options and rights exercisable for Equity Shares, (b) securities convertible into or exchangeable for Equity Shares, and any right of subscription for Equity Shares, (c) any other instrument evidencing indebtedness issued by the Company in conjunction with any issue of Equity Shares, or (d) an instrument carrying rights to subscribe for or convert into Equity Shares.

“**Shareholders**” means, the holders of the Equity Shares of the Company from time to time.

“**Stock Exchanges**” means BSE Limited and National Stock Exchange of India Limited.

“**Subscription Amount**” shall have the meaning ascribed to the term in Recital E.

“**Subscription Shares**” means, in aggregate, 8,30,00,000 Equity shares to be issued and allotted to INBV on the Closing Date.

“**Subsidiary**” shall have the meaning ascribed to ‘subsidiary’ under the Companies Act.

“**Takeover Code**” means the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011;

“**Tax**” means any and all forms of present and future direct or indirect tax, deduction, levy, duty, fee surcharge, cess or other charge of a similar nature including without limitation, goods and service tax, sales, turn-over, value added, use, consumption, property, income, franchise, capital, occupational, license, excise and documentary stamps, taxes, service tax and customs and other duties, assessments, or fees, however imposed, withheld, levied, or assessed by any country or government subdivision thereof or any other taxing authority.

“**Transaction Documents**” means this Agreement, Inter-se Agreement, the binding memorandum of understanding dated 15th January 2019 and the other documents to be executed pursuant to this Agreement and designated, including in terms thereof, as a “**Transaction Document**”.

“**Warranties**” shall have the meaning ascribed to the term in Article 218 (*Representations and Warranties*).

213.2 Interpretation

Unless a contrary indication appears, any reference in this Agreement to:

- (a) The recitals and Schedules constitute an integral and operative part of this Agreement.
- (b) Unless the context otherwise requires, reference to a Clause and/or a Schedule is to a clause and/or schedule of this Agreement and reference to a paragraph is to a paragraph of a Schedule to this Agreement.
- (c) Headings to Articles, Schedules and parts and paragraphs of the Schedules are for convenience only and do not affect the interpretation of this Agreement.
- (d) Reference to any statute or statutory provision shall include:
 - (i) all statutory instruments or orders including subordinate or delegated legislation (whether by way of rules, notifications, bye-laws and guidelines) made from time to time under that statute or statutory provision (whether or not amended, modified, re-enacted or consolidated); and
 - (ii) such provision as from time to time amended, modified, re-enacted or consolidated (whether before or after the date of this Agreement) to the extent such amendment, modification, re-enactment or consolidation applies or is capable of applying to any transactions entered into under this Agreement and (to the extent liability thereunder may exist or can arise) shall include any past statute or statutory provision (as from time to time amended, modified, re-enacted or consolidated) which the statute or statutory provision referred to has directly or indirectly replaced.
- (e) Reference to any document includes as amendment to that document, but disregarding any amendment made in breach of this Agreement.
- (f) Reference to an “**amendment**” includes a supplement, modification, novation, replacement or re-enactment and “amended” is to be construed accordingly.
- (g) Words denoting the singular shall include the plural and vice versa.
- (h) Words denoting any gender include all genders.
- (i) Reference to the word “**include**” or “**including**” shall be construed without limitation.
- (j) Reference to a “**person**” or “**Person**” (or to a word importing a person) shall be construed so as to include:
 - (i) individual, sole proprietorship, firm, partnership, limited liability partnership, trust, joint venture, company, corporation, body corporate, unincorporated body, association, organisation, any Government Authority or other entity or organisation (whether or not in each case having separate legal personality);
 - (ii) that person’s successors in title, executors, and permitted transferees and permitted assignees; and
 - (iii) references to a person’s representatives shall be to its officers, employees, legal or other professional advisers, sub-contractors, agents, attorneys and other duly authorised representatives.

- (k) Reference to a **“Party”** to any document includes that Party’s successors, executors and permitted transferees and permitted assignees, as the case may be.
- (l) Words **“hereof”, “herein”, “hereto”, “hereunder”** and words of similar import when used with reference to a specific clause in this Agreement shall refer to such article in this Agreement and when used otherwise than in connection with specific articles shall refer to this Agreement as a whole.
- (m) In the computation of periods of time from a specified date to a later specified date, the words **“from”** and **“commencing on”** mean **“from and including”** and **“commencing on and including”**, respectively, and the words **“to”, “until”** and **“ending on”** each mean **“to but not including”, “until but not including”** and **“ending on but not including”**, respectively.
- (n) Where a wider construction is possible, the words **“other”** and **“otherwise”** shall not be construed ejusdem generis with any foregoing words.
- (o) Unless otherwise specified, whenever any payment to be made or action to be taken under this Agreement, is required to be made or taken on a day other than a Business Day, such payment shall, subject to Applicable Law, be made or action be taken on the immediately preceding Business Day.
- (p) Where any statement in this Agreement is qualified by the expression **“to the knowledge”** or **“to the best of the knowledge or information or belief”** or any similar expression, that statement shall, save, as expressly provided to the contrary herein, be deemed to mean that it has been made after due and careful inquiry by the Person making such statement.

214. **AGREEMENT TO SUBSCRIBE AND ISSUE**

214.1 **Agreement to subscribe and Issue**

On the terms and subject to the conditions contained herein and relying on the Warranties and other covenants set out in the Transaction Documents, INBV hereby agrees to subscribe for, and the Company agrees to issue and allot to INBV, the Subscription Shares (as set forth below) on the Closing Date, free and clear of all Encumbrances, for the Subscription Amount:

| # | Name of INBV | Number of Subscription Shares | Subscription Amount |
|----|---------------------------|-------------------------------|---------------------|
| 1. | Indorama Netherlands B.V. | 8,30,00,000 | Rs.298.80 crore |

214.2 **Use of Proceeds**

The Company, agrees and undertakes that the Subscription Amount shall be utilized by the Company towards any or all of the following (and for no other purpose):

- (i) payment to vendors, employees, contractors, etc.;
- (ii) repayment of term loans availed by the Company and discharge of Company’s financial liabilities;
- (iii) payment of outstanding obligations of the Company; and/or
- (iv) purchase of raw material and other working capital requirements of the Company; in each case, in compliance with the provisions of Applicable Law.

214.3 **Undertaking of the Company and each Promoter**

- (a) Each member of OP Lohia Group agrees and undertakes to cause, in their capacity as shareholders of the Company, to take, and the Company agrees to take, all

necessary actions for the issuance and allotment of the Subscription Shares to INBV on the terms and conditions set forth herein.

- (b) Each member of OP Lohia Group agrees and undertakes to cause the Company, in their capacity as shareholders of the Company, and the Company agrees and undertakes, that the Subscription Shares to be issued to INBV are issued and allotted in compliance with all Applicable Laws including without limitation, pricing guidelines stipulated by the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
- (c) Each member of OP Lohia Group agrees and undertakes that it shall cause the Company, in their capacity as shareholders of the Company, and that the Company agrees and undertakes that it shall take, all actions necessary and, within its control, to ensure that the Equity Shares of the Company continue to be traded in the normal segment on the Stock Exchanges.

214.4 **Shareholding after Closing**

Pursuant to the subscription and issuance of the Subscription Shares in accordance with Article 216 (*Closing*) immediately after the Closing Date, INBV shall hold 31.79% of the share capital of the Company (basis full acceptances and non-conversion of OCDs).

In connection with the share application, INBV will be making an open offer under the Takeover Code for purchase of shares from the public shareholders (the “**Open Offer**”), as per public announcement by INBV under the Takeover Code, resulting in the maximum holding in the Company of INBV being up to 56.85% shares in the Company (basis full acceptances and non-conversion of OCDs).

214.5 **Subscription Shares to rank *pari passu***

The Subscription Shares issued and allotted to INBV shall rank *pari passu* in all respects and identical with the existing Equity Shares with reference to all the rights and benefits including but not limited to voting rights, rights to dividends, stock splits, bonus issuance and rights issuance.

214.6 **Dematerialized Shares**

The Subscription Shares shall be issued in dematerialized form and credited to the dematerialised or beneficial ownership account of INBV in accordance with Article 216 (*Closing*).

214A. **ACTIONS BETWEEN SIGNING AND CLOSING**

214A.1 Between Execution Date and Closing Date, subject to the provisions of this Agreement, the Company shall (and the OPL Lohia Group shall take all steps to ensure that the Company shall):

- (a) conduct the Business only in the Ordinary Course of Business;
- (b) Take all reasonable steps and shall ensure that the Company shall take all reasonable steps to preserve property and assets comprising the Business and, in particular, will maintain insurance coverage at the same levels and on the same terms as those policies that are in effect as of the Execution Date.
- (c) Comply with the requirements of the notice dated 27 November, 2018 issued by Maharashtra Pollution Control Board (MPCB), duly confirmed by environmental consultant of repute in relation to operation of Company’s manufacturing unit.

214A.2 From the Execution Date, up to and including the Closing Date, the members of the OPL Group and the Company shall not, directly or indirectly, participate in, solicit or encourage (or permit any advisor or other Person acting on its behalf to do so) negotiations or discussions with any Person relating to the sale or other disposal of any part of Business or investment by any Person in the Business or any issuance of Equity Shares or Share Equivalents to any Person (except as approved by the Board in its meeting held on 15th January 2019 or enter into any agreement or arrangement with any other party in relation to such matters.

214A.3 **Merger control approvals**

As soon as reasonably practicable following the Execution Date but in any case not later than the permitted statutory periods provided under the Applicable Laws, INBV will make all necessary filings with the Competition Commission of India (“**CCI**”) and other anti-trust regulators in applicable jurisdictions. The Company and OP Lohia Group shall provide all relevant information to the counsel of INBV, to enable them to make a complete filing with the CCI and other anti-trust regulators.

214A.4 Prior to the Closing Date, the Company shall review receivables, advances, etc. listed in Schedule 6 and shall make appropriate provisions in relation to the same and shall also consider a write-off where appropriate and in accordance with the IndAS. OP Lohia Group and Company will ensure that the audit qualifications are removed to satisfaction of auditors of the Company prior to the Closing Date.

215. **CONDITIONS PRECEDENT**

215.1 **Conditions Precedent**

The obligation of INBV to subscribe to and the obligation of Company to allot (and OP Lohia Group to ensure allotment of) the Subscription Shares under Article 214.1 (*Agreement to Subscription and Issue*), is subject to the satisfaction of conditions precedent set out in Schedule 2 (*Conditions Precedent*) (“**Conditions Precedent**”), unless otherwise waived in writing by INBV in its absolute discretion (if permitted to be waived under Applicable Law), in accordance with this Agreement.

215.2 **Long Stop CP Completion Date**

The Parties shall ensure that the Conditions Precedent required to be fulfilled by it are fulfilled on or prior to 30 June 2019 or such other later date as may be mutually agreed to in writing by Parties (“**Long Stop Date**”).

215.3 **Non-fulfilment of Conditions Precedent**

If all Conditions Precedents are not fulfilled (unless they are waived by INBV in writing) on or before the Long Stop Date or any such Conditions Precedent shall cease to be capable of being satisfied (unless they have been waived by INBV in writing), INBV shall have the right to terminate this Agreement and the Company and/or the OP Lohia Group shall not be entitled to make any claim against INBV.

216. **CLOSING**

216.1 **Closing Date**

216.1.1 Subject to satisfaction of the Conditions Precedent, the closing shall take place at any place and time as may be mutually agreed upon by the Parties (“**Closing Date**”), *provided that* the Closing shall take place 15 (Fifteen) days from the receipt of last of the regulatory/statutory approvals required for the allotment of Subscription Shares to INBV.

216.1.2 Closing Actions

On the Closing Date, the following events shall take place simultaneously:

- (a) If not already remitted, INBV shall remit the Subscription Amount as set out in Article 214.1 (*Agreement to Subscribe and Issue*) above, to the Proceeds Account.
- (b) Subject to the receipt of all the Subscription Amount from INBV, the Company shall convene a Board Meeting at which the Board shall approve the allotment of the Subscription Shares to INBV, in accordance with applicable provisions of the Companies Act, 2013 and issue an allotment letter to INBV, evidencing the allotment of Subscription Shares to INBV.
- (c) Subject to the receipt of all the Subscription Amount from INBV, the Company shall:
 - (i) file necessary documents and applications with the Stock Exchanges seeking Final Listing Approval for the Subscription Shares; and
 - (ii) instruct the Company's registrar and transfer agent to credit the Subscription Shares allotted to INBV, under this Agreement to INBV Demat Account.
- (d) The Company shall pay stamp duty as per Applicable Law on the Subscription Shares issued to INBV.

216.2 Pre-Closing and Post Closing Shareholding Pattern

The Company acknowledges that the shareholding pattern of the Company as on Execution Date and shareholding post-Closing (excluding shares to be acquired by INBV through the Open Offer and assuming non-conversion of OCDs) shall be as follows:

| Sl. | Category | Pre-Issue | | Post-Issue | |
|-----------|--------------------------------|--------------------|--------------------|--------------------|--------------------|
| | | No. of shares Held | % of share holding | No. of shares Held | % of share holding |
| A. | Promoters' holding: | | | | |
| 1. | Indian:- | | | | |
| | Individual | | | | |
| | Mr. O. P. Lohia | 38473369 | 23.91% | 38473369 | 14.73% |
| | Mr. Vishal Lohia | 1137896 | 0.71% | 1137896 | 0.44% |
| | Others | 18839254 | 11.71% | 18839254 | 7.21% |
| 2 | Foreign/NRI Promoters | | | | |
| | Individual | 662344 | 0.41% | 662344 | 0.25% |
| | Overseas Corporate Body | 53564057 | 33.29% | 53564057 | 20.51% |
| | Indorama Netherlands B.V. | | 0.00% | 83000000 | 31.79% |
| | Sub-Total (A) | 112676920 | 70.02% | 195676920 | 74.94% |
| B. | Non-promoters' holding: | | 0.00% | | 0.00% |
| 2a. | Institutional Investors | 18088740 | 11.24% | 18088740 | 6.93% |
| 2b. | Public Shareholding | 30147491 | 18.74% | 47347491 | 18.13% |
| | GRAND TOTAL | 160913151 | 100.00% | 261113151 | 100.00% |

217. **CONDITIONS SUBSEQUENT**

Upon the subscription and allotment of the Subscription Shares, in accordance with Article 216 (*Closing*), above, the Company shall satisfy the following conditions after the Closing Date within the timeframes set out below:

- (a) within 15 (Fifteen) days of the Closing Date, the Company shall file return of allotment in Form PAS 3 with the Registrar of Companies in connection with the issuance and allotment of Subscription Shares to INBV;
- (b) within 1 (one) day of the Closing Date, record the issuance of the relevant Subscription Shares in favour of INBV in the statutory registers maintained under the Applicable Laws, and provide a copy of the said statutory registers to INBV;
- (c) within 30 (Thirty) days of the Closing, provide the Final Listing Approval for the relevant Subscription Shares;
- (d) within 30 (Thirty) days of the Closing, file the Form Single Master Form (SMF) with the RBI through the authorised dealer bank;
- (e) within the period stipulated under Applicable Law, the Company shall file any other documents or take all other steps that may be required under Applicable Law to complete the issue of the Subscription Shares to INBV; and
- (f) within 30 (Thirty) days of Closing Date, deliver to INBV a copy of approvals/receipts/acknowledgements of all filings made and approvals obtained under this Article 217 (*Conditions Subsequent*).

217A. **ACQUIROR'S CONFIRMATIONS**

In terms of Regulation 25(2) of the Takeover Code, INBV has no intention to restructure or alienate, whether by way of sale, lease, encumbrance or otherwise, any material assets of the Company during the period of 2 (two) years following the completion of the Offer, except

- (a) In the ordinary course of business; or
- (b) On account of compliance with any Applicable Law;
- (c) As has already been disclosed by the Company in the public domain.

218. **REPRESENTATIONS AND WARRANTIES**

218.1 **Company and Promoter Warranties**

In consideration of INBV subscribing to the Subscription Shares, the OP Lohia Group makes the representations set out in the Schedule 3 (*Warranties of OP Lohia Group*), ("**Warranties**") hereto to INBV, as on the date of this Agreement, which Warranties, shall be true, complete and accurate in all respects and shall be repeated to INBV as on the Closing Date.

218.2 **Independent in nature**

Each of the Warranties contained in this Agreement is separate and independent and none of the Warranties shall be treated as qualified by any actual or constructive knowledge on the part of any INBV or any of its agents, representatives, officers, employees or advisers, and INBV shall have a right of action (but without duplication) in respect of breach of any representation and warranty made by the OP Lohia Group, as the case may be, and such right shall continue in full force and effect after the Closing Date.

218.3 OP Lohia Group hereby acknowledges and agrees that INBV would not proceed with the subscription of Subscription Shares contemplated herein but for the Warranties hereunder.

218.4 **INBV and Indorama Ventures Warranties**

INBV and Indorama Ventures represents and warrants, to each of the Company and the OP Lohia Group, as at the date of execution of this Agreement and as at the Closing Date:

- (a) It is a valid and legally existing entity and is duly incorporated and has all the necessary power, authority and capacity to carry on its business.
- (b) It has the legal right, is competent to contract and the power and authority and has taken all the necessary actions to enter into and perform their respective actions and obligations under the Transaction Documents.
- (c) It has been duly and validly authorised to execute and enter into the Transaction Documents to which it is a party and have all the requisite Authorisations in this regard, and all such Authorisations are validly subsisting.
- (d) INBV is an indirect wholly owned Subsidiary of Indorama Ventures and shall continue to be a Subsidiary of Indorama Ventures during the term of this Agreement.

Each of the warranties of INBV and Indorama Ventures as contained in this Article 218.4 and in Schedule 3A (*Warranties of INBV and Indorama Ventures*) is separate and independent and none of such warranties shall be treated as qualified by any actual or constructive knowledge on the part of Company or OP Lohia Group and the Company/OP Lohia Group shall have a right of action (but without duplication) in respect of breach of any such representation and warranty made by the INBV/ Indorama Ventures.

218.5 **Approvals**

To the extent the payment of any damages by any Party to the other, for breach of their respective representation or warranty is subject to receipt of approvals of RBI or other regulatory authorities, the relevant warrantor shall be responsible for making all applications necessary for such approvals and taking all steps required to obtain the same.

218.6 **Restitution**

Each Party shall be entitled to claim compensation or damages from the other Party for breach of other Party's representation of warranty.

218.7 **Additional Remedies**

The rights of the Parties, pursuant to this Article 218 shall be in addition to and not exclusive of, and shall be without prejudice to, any other rights and remedies available to them at equity or law including the right to seek specific performance where ever possible, rescission, restitution or other injunctive relief, none of which rights or remedies shall be affected or diminished thereby.

218.8 **Tax Gross Up**

While making payment of any damages amounts pursuant to this Article 218, the warrantor shall gross up such amount to the extent of any Tax that is payable by the warrantor on such payment.

219. **MANAGEMENT OF THE COMPANY**

219.1 INBV shall be the promoter of the Company post-Closing along with the existing Promoters. The Company and the OP Lohia Group shall take steps, if applicable, to classify INBV as

a promoter of Company. The provisions of Article 219 of this Agreement shall be applicable on and from the Closing Date.

219.2 **Directors**

219.2.1 The total number of Directors of the Company shall not be more than 10 (Ten), except nominee directors of the lenders of the Company (to the extent required under their financial arrangements with the Company).

219.2.2 INBV shall be entitled to nominate up to 3 (three) Directors in total on the Board ("**INBV Directors**"). Out of the aforesaid 3 Directors, the Parties agree that on the Closing Date, INBV shall nominate 2 INBV Directors (including the Occupier) for appointment by the Board and shall have the right to nominate the third INBV Director at any time thereafter.

219.2.3 The OP Lohia Group shall be entitled to nominate up to 2 (two) Directors on the Board ("**OPL Directors**"). In this regard, the Parties agree that Mr. O.P. Lohia and Mr. Vishal Lohia shall continue to be OPL Directors on the Closing Date.

219.2.4 INBV/OP Lohia Group may require the removal of any of the Directors nominated by it and nominate another individual as Director in his/her place. In the event of resignation, retirement or vacation of office of any of the Directors so appointed by INBV/OP Lohia Group, only INBV and/or OP Lohia Group (as relevant) shall be entitled to nominate a replacement for such Director.

219.3 **Quorum**

219.3.1 The quorum for a meeting of the Board, duly convened and held, shall be 2 (two) directors or such number of directors as required under Applicable Law, whichever is higher, provided that, no quorum as aforesaid shall be validly constituted and no business at any meeting of the Board shall be transacted unless at least 1 (one) INBV Director and 1 (one) OPL Director is present at the commencement of such meeting and throughout its proceedings.

219.3.2 In the absence of a valid quorum within 30 (Thirty) minutes at a meeting of the Board, duly convened, subject to Applicable Laws, the meeting shall be adjourned to a date and time 7 (seven) days after the original time of the meeting and at the same place as the original meeting by written notice to all Directors. The quorum at such adjourned meeting of the Board shall be 2 (two) directors or such number of directors as required under Applicable Law, whichever is higher, and all business transacted thereat shall be regarded as having been validly transacted, provided that: (i) an item which did not form part of notice of the original board meetings shall not be discussed and decided by the Board; and (ii) no Affirmative Vote Item shall be discussed or transacted at any such adjourned Board Meeting unless at least 1 (one) INBV Director and 1 (one) OPL Director is present at the commencement of such adjourned meeting and throughout its proceedings.

219.4 **Chairman**

The chairman of the Company or Board/shareholders meeting shall not have a casting vote at meetings of the Board or at general meetings of the shareholders. It is clarified that Mr. OP Lohia shall continue to be the Chairman of the Board.

219.5 **KMPs**

219.5.1 INBV shall be entitled to nominate the Chief Executive Officer, Chief Financial Officer, Chief Marketing Officer and the Plant Head (collectively referred to as "**KMPs**") for

appointment by the Company. The day to day management and the operations of the Company shall be conducted by Chief Executive Officer, Chief Financial Officer, Chief Marketing Officer and the Plant Head nominated by INBV subject to the overall supervision, control and direction of the Board.

219.5.2 In the event of a vacancy arising on account of the resignation of a KMP or the office of the KMP becoming vacant for any reason, INBV shall be entitled to designate another person to fill the vacancy. INBV may require the removal of the KMP appointed / nominated for appointment by it at any time and shall be entitled to appoint/nominate for appointment another representative as a KMP in place of the KMP so removed.

219.6 **Branding**

The Board shall decide on the use of the brand names of INBV and its Affiliates (as INBV may deem appropriate) for the business (domestic and/or export) of the Company in conformity with the marketing strategy of INBV.

219.7 **Business Plans**

The Business of the Company shall be conducted in accordance with the Business Plan. INBV shall take a lead on the Company's Business Plan formulations and shall purpose the same to the Company's Board. No Business Plan shall be approved by the Company without consent of INBV and the OP Lohia Group shall extend all necessary co-operation to ensure that such Business Plan is implemented, subject to and in accordance with Applicable Law.

219.8 **Committees**

The provisions of this Article 219 in respect of conduct of meetings, quorum and voting shall *mutatis mutandis* apply to meetings of any committees of the Board.

219.9 **Affirmative Voting Items**

The Company shall not take any action, whether at any general meeting or at any meeting of the Board or committee thereof or by resolution by circulation, or otherwise, with respect to any of the matters set out in **Schedule 5 ("Affirmative Vote Items")** without the prior written consent of each of INBV and OP Lohia Group.

219.10 **Key Rights and Fall away**

219.10.1 "Key Rights" of INBV shall be:

- (a) Its right to appoint third director (over and above two Directors) after the Closing Date as per Article 219.2;
- (b) Right of INBV to nominate KMPs as per Article 219.5; and
- (c) Right of INBV in respect of the Business Plan of the Company as set out Article 219.7.

219.10.2 The Key Rights granted to INBV shall fall away and shall instead be available to the OP Lohia Group in case:

- (a) the equity shareholding of INBV (together with its Affiliates) falls below 25% of the total paid up share capital of the Company; and
- (b) if the shareholding of INBV (together with its Affiliates) is less than the equity shareholding of OP Lohia Group.

It is clarified that once the Key Rights have fallen away, it shall not be resumed, even if the equity shareholding of INBV (together with its Affiliates) subsequently increase to 25% or more.

219.10.3 Notwithstanding Article 219.10.2:

- (a) All rights granted to INBV in Article 219 shall fall away in the event the shareholding of INBV (together with its Affiliates) falls below 10% of the total paid up share capital of the Company;
- (b) All rights granted of OP Lohia Group in Article 219 shall fall away in the event the shareholding of OP Lohia Group (together with their Affiliates) falls below 10% of the total paid up share capital of the Company.

220. **RIGHTS TO OTHER SHAREHOLDERS**

Except as agreed, no non-promoter will be given any special rights in the Company except rights as a public shareholder under Applicable Law.

221. **OP Lohia Group**

221.1 The OP Lohia Group shall be represented, for all purposes and intent under this Agreement, by Mr. O. P Lohia. The members of the OP Lohia Group have, pursuant to a power of attorney executed in favour of Mr. O.P. Lohia, irrevocably designated Mr. O.P. Lohia as their authorized representative for the purposes of this Agreement and Mr. OP Lohia is executing this Agreement on behalf of other members of the OP Lohia Group. Further, Mrs. Rimple Lohia shall also form part of the OP Lohia Group and the other members of the OP Lohia Group confirm that as soon as practicable, after execution of this she will execute a deed of adherence, adhering to this Agreement.

221.2 The OP Lohia Group covenant and agree that they shall not undertake any conversion of the OCDs issued to Mr. O.P. Lohia by the Company.

222. **CONFIDENTIALITY**

222.1 The Parties undertake that they shall, at all times during the term of this Agreement and for a period of 3 (Three) years from the date of termination of the Agreement, keep confidential (and shall use procure that their respective employees, advisors and agents keep confidential) any Confidential Information which is in their possession or which they may acquire and shall not disclose such information except with the consent of every other Party to this Agreement.

222.2 No Party shall, without first obtaining the written consent of the other Parties, disclose the terms of this Agreement or in any manner advertise, release or publish any information concerning the other Parties or this Agreement.

222.3 Notwithstanding what is stated in Article 222.1 and 222.2 above, a Party may disclose Confidential Information to:

222.3.1 if and to the extent required by Applicable Law or for the purpose of any judicial proceedings or to any Governmental Authority;

222.3.2 if and to the extent required by existing contractual obligations which that Party is subject to prior to the date of this Agreement and on the condition that Party has already informed such contractual obligations to the other Parties prior to the execution of this Agreement;

222.3.3 if and to the extent required by any Government Authority to which that Party is subject or submits, wherever situated, provided the requirement for information has the force of Applicable Law;

222.3.4 if and to the extent required for the purposes of any arbitration pursuant to Article 224.2 (*Dispute Resolution*);

- 222.3.5 to its professional advisers, auditors and bankers, rating agencies who need to have such information for the purpose of advising that Party on matters contemplated under this Agreement subject to confidentiality obligations on such persons;
- 222.3.6 if and to the extent the information has come into the public domain through no fault of that Party;
- 222.3.7 in the case of INBV, to the extent disclosed or any of its Affiliates or its' employees; or
- 222.3.8 if and to the extent the other relevant Parties have given prior written consent to the disclosure, such consent not to be unreasonably withheld or delayed.

223. NOTICES

223.1 Services of Notices

All notices or other communications to be given under this Agreement shall be made in writing and (save as otherwise stated) by letter or email and shall be deemed to be duly given or made to such Party:

- 223.1.1 when deliver, in the case of personal delivery;
- 223.1.2 on receipt of a confirmation of successful delivery, in the case of an email; or
- 223.1.3 3 (three) Business Days after being dispatched by an internationally recognized courier, in the case of letter,
- at its address specified in Article 223.2 (*Details for Notices*), or at such other address as such party may hereafter specify for such purpose to the others by notice in writing.

223.2 Details for Notices

The details for notices for the purpose of this Agreement are as follows:

For INBV:

For INDORAMA NETHERLANDS B.V.

Address : Markweg 201, 3198 NB Europoort, Rotterdam,
the Netherlands

Attention : Mr. Sunil Baldi and Mr. SK Agrawal

Mail : sunil.baldi@nl.indorama.net and ska@indorama.net

In case of the OP Lohia Group:

Address : R-69, Greater Kailash Part-I, New Delhi-110048.

Attention : Mr. O. P. Lohia

Telephone : +91-124-4997000

Email : omprakash.lohia@indorama-ind.com

In case of the Company:

Address : 20th Floor, DLF Square, DLF Phase II, NH 8,
Gurgaon-122002, Haryana

Attention : Mr. Anupam Singhania

Telephone : +91 124 4997000

Email : anupam.singhania@indorama-ind.com

For Indorama Ventures:

Address : 75/102 Ocean, Tower 2, 32nd Floor, Soi Sukhumvit
19 (Wattana), Asoke Road, Klongtoey Nuer, Bangkok
10110, Thailand

Attention : Mr. SK Agrawal

Mail : sunil.baldi@nl.indorama.net and ska@indorama.net

224. GOVERNING LAW AND DISPUTE RESOLUTION AND JURISDICTION

224.1 Governing Law

This Agreement and all rights and obligations of the Parties both substantive and procedural shall be governed by, and construed in accordance with, the laws of India without regard to conflict of law principles.

224.2 Dispute Resolution

224.2.1 In the event of a controversy, conflict or dispute of any nature arising out of, or relating to, or in connection with, the provisions of this Agreement, including the interpretation of this Agreement (“**Dispute**”), the relevant Parties shall discuss in good faith to resolve the Dispute.

224.2.2 In case the Dispute is not settled within 30 (Thirty) calendar days of any Party raising a dispute it shall be referred to and finally resolved by arbitration in New Delhi in accordance with the rules of the Indian Council of Arbitration, New Delhi for the time being in force, which rules are deemed to be incorporated by reference in this Article. The seat of arbitration shall be New Delhi. The arbitration shall be conducted under and in accordance with the Arbitration and Conciliation Act, 1966 as amended or may be re-enacted thereof. The language of the arbitration shall be English.

224.2.3 The arbitral tribunal shall consist of 3 (three) arbitrators, with the OP Lohia Group jointly having the right to appoint one arbitrator and Subscriber (and Indorama Ventures together) shall have the right to appoint one arbitrator. The two arbitrators so appointed shall jointly appoint the third arbitrator who shall also be the chairperson of the arbitral tribunal. The Company shall not have the right to appoint an Arbitrator to the Arbitral Tribunal in case of any Dispute.

224.2.4 The arbitral tribunal shall give a reasoned decision or award in writing, including as to the costs and expenses of the arbitration. The arbitral tribunal's decision or award shall be final and binding on the Parties. The Parties agree that the arbitral tribunal's award may be enforced against the Parties in any competent court of law and the Parties agree to be bound thereby and to act accordingly.

224.2.5 Each Party shall bear and pay its own costs and expenses in connection with the arbitration proceedings except as may be otherwise determined by the arbitral tribunal.

224.2.6 Nothing contained hereinabove shall prejudice either Party's right to have recourse to Hon'ble courts having territorial jurisdiction over New Delhi, which shall have exclusive jurisdiction to decide all applications and matters arising under the Arbitration and Conciliation Act, 1996 or any re-enactment thereof, to the exclusion of any other court in India or overseas.

224.2.7 When any Dispute occurs and is under arbitration, except for the matters under dispute, the Parties shall continue to exercise their remaining respective rights, and fulfil their remaining respective duties and obligations, under this Agreement.

225. **TERM AND TERMINATION**

225.1 This Agreement is intended to be of enduring nature with regard to the mutual objectives and stipulations in this Agreement and shall take effect as of its execution and shall continue in force until the last of the obligations of this Agreement have been fulfilled or met or ceased to exist by way of passage of time or otherwise terminated in accordance with Article 215.3 (*Non-fulfilment of Conditions Precedent*) above or Article 225.2 below.

225.2 This Agreement may be terminated by mutual agreement between the Parties.

225.3 **Survival after Termination**

225.3.1 The termination of this Agreement shall be without prejudice to any claim or rights of action accrued to any Party against any other Party prior to termination.

225.3.2 The provisions of Article 218 (*Representations and Warranties*), 222 (*Confidentiality*), 223 (*Notices*), 224 (*Governing Law and Dispute Resolution*) and this Article 225.3 shall survive the termination of this Agreement, save and except where such termination is under Article 215.3 (*Non-fulfilment of Conditions Precedent*) and Article 225.

226. **MISCELLANEOUS PROVISIONS**

226.1 **Intent of this Agreement**

The Parties undertake to ensure that they, in their capacities as shareholders, their representatives, proxies and agents representing them at general meetings of the Company shall at all times exercise their votes, act in such manner so as to comply with, and to fully and effectually implement, the spirit, intent and specific provisions of this Agreement.

226.2 **Costs and Expenses**

The Company shall bear all costs and expenses (including stamp duty costs) in relation to the Transaction Documents and issue of Subscription Shares to INBV. Each Party shall bear their respective costs incurred by them in connection with their activities hereunder, including, but not limited to, fees and disbursements of counsel, accountants, auditors and advisors/consultants and travel and related expenses in connection with the proposed transaction.

226.3 **Entire Agreement**

This Agreement shall be read together with the Inter-se Agreement. The Transaction documents sets out the entire agreement and understanding between the Parties with respect to the subject matter of it. The Transaction Documents supersede all prior discussions and correspondence, which shall not have any further force or effect. This Agreement read along with the Inter-se Agreement shall supersede the memorandum of understanding as entered into between Parties on 15 January 2019.

226.4 **Amendments**

This Agreement may be amended only by an instrument in writing signed by duly authorised representatives of each Party.

226.5 **No Partnership or Agency**

Nothing in this Agreement (or any of the arrangements contemplated by it) shall be deemed to constitute a partnership or joint venture or association of person between the Parties, nor, except as may be expressly set out in it, constitute any Party as the agent of another Party for any purpose, or entitle any Party to commit or bind another

Party in any manner. It is clarified that Mr. OP Lohia is the duly authorised attorney/ agent of the other members of OP Lohia Group is entitled to commit and bind them.

226.6 **Further Assurances**

The company undertake that they will do or procure to be done all such further acts and things, execute or procure the execution of all such other documents and exercise all rights and powers, direct and indirect, available to them in relation to any Person so as to ensure the complete and punctual fulfilment, observance and performance of the provisions of this Agreement and generally that full effect is given to the provisions of this Agreement.

226.7 **Assignment**

226.7.1 The Parties shall not assign or transfer all or any of its rights or obligations under this Agreement except with the prior written consent of the other Party.

226.7.2 Notwithstanding anything to the contrary contained herein, INBV shall be entitled to transfer Equity shares held by it to one or more of its Affiliates without prior consent of other Parties and such Affiliate shall be entitled to exercise any or all of its rights and subject to Applicable Law, perform any or all its obligations under the Transaction Documents through one or more of its Affiliates. Each such Affiliate shall execute a deed of adherence set out in Schedule 4 (*Deed of Adherence*). In case such Affiliate ceases to be an Affiliate of INBV, the Affiliate shall transfer the Equity Shares (along with corresponding rights and obligations) to INBV or another Affiliate of Indorama Ventures, subject to such other Affiliate executing a deed of adherence as set out in Schedule 4 (*Deed of Adherence*).

226.8 **Severability**

Every provision contained in this Agreement shall be severable and distinct from every other provision of this Agreement and if at any time any one or more or such provisions is or becomes invalid, illegal or unenforceable in any respect under any Applicable Law, the validity, legality and enforceability of the remaining provisions hereof shall not be in any way be affected or impaired thereby nor the validity or enforceability in other jurisdictions of that or any other term or provision shall be in any way affected or impaired.

226.9 **Waivers and Remedies**

No failure or delay by a Party in exercising any right or remedy provided by Applicable Law under or pursuant to this Agreement shall impair such right or remedy or operate or be construed as a waiver or variation of it or preclude its exercise at any subsequent time and no single or partial exercise of any such right or remedy shall preclude any other or further exercise of it or the exercise of any other right or remedy. The rights and remedies of a Party under or pursuant to this Agreement are cumulative, may be exercised as often as such Party considers appropriate and are in addition to its rights and remedies under Applicable Law.

226.10 **Change in Law**

In case of any change in Applicable Law that has an effect on the terms of the Transaction Documents, the Parties agree that the Agreement would be reviewed, and if deemed necessary by the Parties, amended and/or renegotiated in good faith so as to reflect the commercial understanding between the Parties.

226.11 **Counterparts**

The Agreement is deemed to have been executed at New Delhi but may be executed in any number of counterparts in any other place, each of which shall constitute an original and all of which together shall constitute one and same instrument. Delivery of an executed counterpart of the signature page to this Agreement by facsimile shall be as effective as delivery of a manually executed counterpart of this Agreement.

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SCHEDULE 1: OP LOHIA GROUP

| No. | Names and Address of OP Lohia Group | Addresses & Other Details |
|------------|--|--|
| 1. | Mr. O. P. Lohia. | A person resident in India, aged about 69 years permanent account number AACPL0089Nand currently residing at R-69, Greater Kailash Part-I, New Delhi – 110048 |
| 2. | Mr. Vishal Lohia | A person resident in India, aged about 41 years permanent account number AABPL5213Fand currently residing at R-69, Greater Kailash Part-I, New Delhi – 110048 |
| 3. | Mrs. Urmila Lohia. | A person resident in India, aged about 66 years permanent account number AACPL7659L and currently residing at R-69, Greater Kailash Part-I, New Delhi - 110048 |

SCHEDULE 2: CONDITIONS PRECEDENT

1. INBV shall have received a certified true copy of a resolution of the Board approving the issuance of Subscription Shares to INBV.
2. INBV shall have received a certified true copy of special resolution of the shareholders of the Company, approving the issuance and allotment of Subscription Shares to INBV and such resolution shall have been filed with the Registrar of Companies.
3. The Company shall have issued the offer letter to INBV, for the Subscription Shares, in the formats prescribed under the Companies Act, 2013 and in the manner stipulated therein subject to fulfilment of all the Conditions Precedent in accordance with this Agreement, INBV shall have submitted the share application form accepting the offer.
4. The Company shall have made all other filings and disclosures required, if any, with SEBI and the Stock Exchanges under Applicable Law, including under the SEBI LODR Regulations and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
5. The SEBI shall have approved the letter of offer of INBV under the Takeover Code.
6. INBV shall have received the approval of the CCI as necessary for consummation of the transactions contemplated by this Agreement, in a form and manner satisfactory to INBV.
7. INBV shall have received the approvals of other anti-trust authorities in other jurisdictions for consummation of the transactions contemplated by this Agreement, in a form and manner satisfactory to INBV.
8. The Company shall have received all approvals, consents and waivers necessary for consummation of the transactions contemplated by this Agreement, including:
 - (a) The in-principle approval of the Stock Exchanges with respect to the issuance of the Subscription Shares and a copy of such in-principle approval having been provided to INBV; and
 - (b) Any other approvals from any Governmental Authority, if any, required for issue of the Subscription Shares.
9. No Material Adverse Effect shall have occurred after signing this Agreement and before Closing.
10. The Company will have issued and allotted Equity Shares to the third party investor, as approved by the Board of the Company on 15 January 2019.
11. The Company shall have obtained the written consent of State Bank of India and Bank of India (lenders of the Company) for the proposed transaction.

SCHEDULE 3: WARRANTIES OP LOHIA GROUP

The OP Lohia Group jointly and severally makes the representations and warranties set out in this Schedule to INBV. Each such Warranty is true and correct as of the date hereof and shall be deemed to be true and correct as of the Closing Date, taking into account facts and events then existing, on the date of this Agreement and on the Closing Date.

1. **Status**
 - (a) The Company is a limited liability company and the Equity Shares are listing on the Stock Exchanges.
 - (b) The Company is a body corporate duly incorporated and validly existing under the laws of its jurisdiction.

- (c) The Company has the power to own its assets and carry on its Business as it is being conducted.

2. Compliance with Applicable Law

- (a) The issuance of Subscription Shares is in compliance with Applicable Laws, including, the Companies Act, 2013, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and the SEBI LODR Regulations subject to compliance with Open Offer.
- (b) The obligations expressed to be assumed by each party to each Transaction Document (to which it is a party) are legal, valid, binding and enforceable obligations.
- (c) The Company has not violated any Applicable Law that will adversely affect the issuance of the Subscription Shares or its obligations under the Transaction Documents.
- (d) The Company has not breached any Anti-Money Laundering and Anti-Terrorism Financing Laws.

3. Non-conflict with other obligations

The entry into and performance by the Company and OP Lohia Group and the transactions contemplated by, the Transaction Documents to which it is a party do not and shall not conflict with:

- (a) any law or regulation applicable to it;
- (b) its constitutional documents; or
- (c) any agreement or instrument binding upon it or any of its assets.

4. Power and authority

- (a) Each of the Company and OP Lohia Group has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, the Transaction Documents to which it is a party and the transactions contemplated by those Transaction Documents.
- (b) Each of the Company and OP Lohia Group as full power and authority to enter into, and to perform its respective obligations, under the Transaction Documents;
- (c) The execution and delivery of, and the performance of the Company's and OP Lohia Group obligations under the Transaction Documents has been duly and validly authorised by all necessary corporate action;
- (d) The Transaction Documents constitute legal, valid and binding obligations, of the Company and OP Lohia Group, enforceable against it in accordance with the terms contained herein;
- (e) The Transaction Documents have been duly and validly executed by the authorised representatives (duly and properly authorised to execute the same) of the Company.
- (f) There is no action, suit, proceeding or investigation pending or threatened against the Company or OP Lohia Group in writing, which questions the validity of the Transaction Documents, or the right of such Company or OP Lohia Group to enter into or to consummate the transactions contemplated under the Transaction Documents.

5. **Validity and admissibility in evidence**

All Authorisations required or desirable:

- (a) to enable the Company and OP Lohia Group to lawfully to enter into, exercise its rights and comply with its obligations in the Transaction Documents to which it is a party;
- (b) to make the Transaction Documents to which the Company or and OP Lohia Group is a party admissible in evidence in its jurisdiction of incorporation; and
- (c) for the Company to carry on its business, and which are material, have been obtained or effected and are in full force and effect.

6. **Authorisations**

- (a) No consent, except as provided in this Agreement, is required from any person or any governmental Authority for the issue of the Subscription Shares or for consummating the transactions contemplated under the Transaction Documents.
- (b) The Company has obtained all Authorisations that are required for carrying out its business activities pursuant to Applicable Law.
- (c) There has been no breach of any of the conditions of any of the Authorisations obtained by the Company and there is no event existing, outstanding or to the knowledge of the Company or OP Lohia Group, anticipated or any event likely to arise or any allegation of such thing, which is likely to give rise to any revocation, suspension, variations, cancellation, termination or rejection of such Authorisation and there is no event existing, outstanding or anticipated, or any event likely to arise or any allegation of such a thing, which has or could reasonably be expected to have a Material Adverse Effect.
- (d) No notice has been received, is outstanding or anticipated by it in respect of any revocation or cancellation or termination or rejection of any Authorisation obtained by the Company from any Governmental Authority.

7. **Compliance with Applicable Laws**

- (a) The issuance of the Subscription Shares by the Company to INBV is in compliance with Applicable Laws.
- (b) The Company conducts and has always conducted its Business and transactions in a normal and prudent manner in accordance with its Charter Documents and in compliance with Applicable Laws.
- (c) The Company has not violated any Applicable Law.

8. **Corporate records and filings.**

- (a) All statutory registers and books of the Company (including the minute books, register of members, register of share transfers) required to be maintained under Applicable Laws have been properly and accurately maintained in all material respects as per Applicable Laws and contain, as applicable, complete records of all resolutions passed by the Board and the Shareholders and all issuances and transfers of Equity Shares and Share Equivalents. The books of accounts required to be maintained by the Company under Applicable Law have been accurately maintained in all respects.

- (b) All corporate and secretarial filings required to be made by the Company with any Governmental Authority under Applicable Law have been made within the prescribed timelines.
- (c) The Company has complied with the Companies Act and other Applicable Laws in all material respects in relation to meetings of its board of directors and Shareholders and the conduct of the business thereof.

9. **Capital structure and shareholding**

(a) Share Capital

- (i) All Equity Shares of the Company have been duly and validly authorised, issued and allotted, are fully paid.
- (ii) All Share Equivalents of the Company have been duly and validly authorised, issued and allotted.
- (iii) No other Person has any security, instrument or right, contingent or otherwise, (including any options or warrants) to subscribe for any Equity Shares or Share Equivalents or other securities of the Company at present or at a later date, other than the OCDs.
- (iv) As on the date of this Agreement, the Company does not have any employee stock option, share incentive, stock purchase, stock appreciation right, phantom stock option schemes or any profit sharing, bonus, commission or other incentive scheme, other than the OCDs.

(b) Subscription Shares

- (i) The Subscription Shares shall be duly and validly authorized and freely transferable.
- (ii) The Subscription Shares shall rank *pari passu* with the other Equity Shares of the Company in respect of the dividends and other entitlements of such Equity Shares.

(c) Shareholder arrangements, subsidiaries and joint ventures

- (i) Except as contemplated in any Transaction Documents, the Company and/or OP Lohia Group have not entered into any joint venture, investment, subscription or a shareholders agreement under which any Person has any rights in relation to the issued or un-issued shares or other securities of the Company.
- (ii) The Company, as on the date hereof, has no special purpose vehicles as the case may be, and does not own any direct or indirect equity, voting or ownership interest in any company, partnership or other legal entity.
- (iii) All shareholders' contributions made to the Company have been made in accordance with Applicable Laws and no shareholder's contribution includes any repayment obligation of the Company.

10. **Environmental laws and licences**

The Company has:

- (a) Complied with all material Environmental Laws to which it may be subject;
- (b) Obtained all material Environmental Licenses required or desirable in connection with its business; and

- (c) Complied with the terms of those material Environmental Licenses.

11. **Environmental releases**

No:

- (a) Hazardous Substance is used (in any manner whatsoever) by the Company, in breach of Applicable Law;
- (b) Property currently or previously owned, leased, occupied or controlled by the Company (including any offsite waste management or disposal location utilised by the Company) is contaminated with any Hazardous Substance; and
- (c) Discharge, release, leaching, migration or escape of any Hazardous Substance into the Environment has occurred or is occurring on, onto, under or from that property, in breach of Applicable Law.

Except in respect of notices issued by MPCB dated 27 November 2018 in respect of which the Company has already undertaken remedial measures.

12. **No default**

Except as disclosed in Schedule 7 (*Disclosure of default by the Company*), in respect of the Company:

- (a) No default has occurred or is continuing in respect of any other agreement or instrument which is binding on it or to which its assets are subject.
- (b) Subject to compliance with Condition Precedents, no default under any other agreement or instrument which is binding on its or to which its assets are subject, might reasonably be expected to result from issuance of Subscription Shares.
- (c) Subject to paragraph 12(d) below, no other event or circumstance is outstanding which constitutes a default under any other agreement or instrument which is binding on it or to which its assets are subject except delay in payment of trade credit to vendors not exceeding 90 days from due date.
- (d) No other event or circumstance is outstanding which constitutes a default under any arrangement entered into with vendors or suppliers in the normal course of business which may likely result in a Material Adverse Effect.
- (e) No statutory dues are pending in relation to the assets of the Company.
- (f) The use by the Company of any intellectual property does not infringe the Intangible and intellectual property of any other Person.

13. **No misleading information**

- (a) All information supplied by the Company and on its behalf, is true, complete and accurate in all respects as at the date it was given and was not misleading in any respect.
- (b) Any financial projections provided by or on behalf of the Company in connection with any Transaction Document were prepared on the basis of recent historical information and on the basis of reasonable assumptions.

14. **Financial Statements**

- (a) The Company's audited most recent financial statements delivered to INBV (i) have been prepared in accordance with IndAS, consistently applied; and (ii) give a

true and fair view of its financial condition (consolidated, if applicable) as at the date to which they were drawn up, except, in each case, as disclosed to the contrary in those financial statements.

- (b) Nothing has occurred or been omitted from the information so provided and no information has been given or withheld that results in the information provided by or on behalf of the Company being untrue or misleading in any material respect.
- (c) There has been no Material Adverse Effect to its business or financial condition since March 31, 2018.
- (d) The Company has been an actively functioning company and its accounts for the last 3 (three) financial years have been prepared on going concern basis.
- (e) Except as disclosed in the most recent financial statements delivered to INBV, there are no undisclosed or contingent liabilities of the Company.
- (f) The Financial Statements:
 - (A) Contain appropriate provisions and/or reserve for bad and doubtful debts;
 - (B) Contain a note of all capital commitments of the Company at the Accounts Date, which note was when made and is now adequate, fair and not misleading;
 - (C) Contain proper and adequate reserves or provisions for all tax (including deferred Tax) and other liabilities (whether quantified, contingent or otherwise) of the Company as at the Accounts Date;
 - (D) Are not affected by any unusual or non-recurring items;
- (g) Since the Accounts date, the Company:
 - (A) Has not made, or agreed to make, capital expenditure exceeding in total INR 3 crores or incurred, or agreed to incur, a commitment or connected commitments involving capital expenditure exceeding in total INR 3 crores.
 - (B) has experienced no material deterioration in its financial position or prospects or turnover or suffered any diminution of its assets by the wrongful act of any person and the value of its net assets is not materially less than the value of its net assets at the Accounts Date;
 - (C) has not declared, paid or made a dividend, bonus share, or other distribution of capital or income except to the extent provided in the Financial Statements and have not repaid or redeemed share or loan capital or made an agreement or undertaken an obligation to do any of those things and no loans have been repaid in whole or in part or have become due or are liable to be declared due by reason of either service of a notice or lapse of time or otherwise howsoever;
 - (D) has acquired or disposed of or agreed to acquire or dispose of any assets or assumed or incurred or agreed to assume or incur any material liabilities (actual or contingent) otherwise than in the ordinary course of the Business; and
 - (E) has issued, or allotted or agreed to issue or allot any shares or other securities, and there has been no transfer of any shares in the capital of the Company.

- (F) the Company has carried on its Business in the ordinary and usual course and so as to maintain the business as a going concern; and
- (G) no cash has been withdrawn from the Business of the Company, other than in the ordinary course of business and within past practices.

15. **Financial indebtedness**

- (a) The total financial indebtedness of the Company from whatsoever source does not exceed any limitation on its borrowings contained in the articles of association, or in any resolution of its board of directors or shareholders, or in any deed or document binding on the Company.
- (b) Except as disclosed in writing to INBV on the date of this Agreement, no event or circumstance has occurred which is or, with the giving of notice or lapse of time, determination of materiality or satisfaction of any other condition, would become an event of default under or breach of any terms of any Financial Indebtedness of the Company or would entitle any person to require the payment or repayment of any Financial Indebtedness before its normal or originally stated maturity or which is or shall be such as to terminate, cancel, or render incapable of exercise any entitlement to draw money or other rights of the Company under an agreement related to any Financial indebtedness.

16. **Insolvency**

- (a) The Company is not, or is not presumed or deemed to be unable or admits inability to pay its debts (or, any class of them) as they fall due, or has suspended making payments on any of its debts, or by reason of actual or anticipated financial difficulties, commenced negotiations with one or more of its creditors (or any class of them) with a view to rescheduling any of its indebtedness except as provided in schedule 7 (*Disclosure of default by the Company*).
- (b) The Company has not commenced any voluntary proceedings under any applicable bankruptcy, insolvency, reorganization, winding up or other similar law now or hereafter in effect, or consented to the entry of an order for relief in an involuntary proceeding under any such law, or consented to the appointment or taking possession by a receiver, liquidator, assignees (or similar official) for any or substantial part of its property, other than as permitted in accordance with the Transaction Documents.
- (c) No action or proceedings has been initiated against the Company pursuant to any guidelines issued or framework set up by the Reserve Bank of India.
- (d) Neither any action or proceeding has been initiated nor any reference or any application in relation to the insolvency resolution process of the Company has been made to the National Company Law Tribunal.
- (e) Neither the Company is likely to be declared as a relief undertaking, nor any proceedings have been filed in relation to the same and nor has any petition been presented or analogous proceeding taken including for the liquidation, winding up or dissolution of the Company.
- (f) No insolvency resolution application has been admitted by the National Company Law Tribunal in relation to the Company.
- (g) No Corporate action, legal proceeding or other analogous procedure or step has been taken in relation to:

- (i) The suspension of payment except as provided in Schedule 7 (*Disclosures of default By the Company*), a moratorium of any indebtedness, winding-up, dissolution, liquidation, insolvency resolution process, administration, provisional supervision or reorganization (by way of voluntary arrangement, scheme of arrangement or otherwise) of the Company;
 - (ii) a composition, compromise, assignment or arrangement with any creditor of the Company, including any corporate debt restructuring (except as provided in Schedule 7 (*Disclosure of default by the Company*));
 - (iii) any encumbrancer lawfully taking possession or an insolvency resolution professional, liquidator, judicial custodian, receiver, administrative receiver or trustee or any analogous officer being appointed in respect of the whole or any part of the property of the Company or an attachment, sequestration, distress or execution (or analogous process) being levied or enforced upon or issued against any of the assets or property of the Company;
 - (iv) formation of a joint lender forum in relation to the Company;
 - (v) declaration of the Company as a relief undertaking or commencement of an insolvency resolution process or liquidation process under the Insolvency Bankruptcy Code, 2016 or any order for winding up, bankruptcy or dissolution being passed under the Insolvency Bankruptcy Code, 2016 or under any Applicable Law; or
 - (vi) enforcement of any security over any assets of the Company (if applicable) or any analogous procedure or step in any jurisdiction.
- (h) No process in relation to any expropriation, attachment, sequestration, distress or execution has been taken in any jurisdiction which effects any asset of the Company.

17. No proceedings pending or threatened

Except as disclosed, no litigations, arbitrations or administrative, regulatory or criminal proceedings or investigations of or before any court, arbitral body or agency have been started or threatened against the Company (in writing).

18. No Material Adverse Effect

No event which has a Material Adverse Effect has occurred or is subsisting or is likely to occur of which it has knowledge since the date of this Agreement.

19. Tax liabilities

- (a) Except as provided in Schedule 7 (*Disclosure of defaults by the Company*), the Company has complied with all tax laws in all jurisdictions in which it is subject to Tax and has paid all Taxes due and payable by it unless contested in good faith and adequate reserves have been set aside in respect thereof.
- (b) No material claims which would adversely affect its obligations herein are being asserted against the Company with respect to any Taxes save and except as set out in claim of approximately INR 220,26,20,000 (Indian Rupees Two Hundred and Twenty Crores Twenty Six Lakhs and Twenty Thousand Only) of the Tax authorities against the Company in connection with the Notification No. 94/2004 dated 10 September 2004 issued by the customs authorities.
- (c) Company has duly filed its annual income tax return for the last 3 (Three) years in a timely manner.

20. **Insurance**

The Company has insured its assets and properties (where insurable in nature) and other assets with financially sound and reputable insurers against such risks and in such amounts as are normally maintained by persons carrying on the same or a similar class of business.

21. **Ownership of assets**

- (a) The Company has good and marketable title to all or substantially all the assets and properties possessed or used by the Company free from any Encumbrance. With respect to the assets that are leased or licensed by the Company: (a) the Company is in compliance with the terms of the lease/license in all respects; (b) the lease / license is valid, binding and enforceable in accordance with its term and is in full force and effect and has been duly registered (if required) and stamped; (c) the Company has been in peaceful possession since the commencement of the original term of the lease / license; (d) no waiver or postponement of the Company's obligations under the lease agreement has been granted by the lessor / licensor; and (e) no notice of termination, default or rent increase or change in the terms of conditions of any kind has been served on the Company by the lessor / licensor;
- (b) The Company's plant, factories and machineries are in working condition.
- (c) The Company has paid all rent, insurance, service charges, taxes and other outgoings that may be payable by it in respect of its leasehold / licensed assets and has performed and observed all covenants (whether in relation to freehold or leasehold land), conditions, agreements, statutory requirements, planning consents, bye-laws, orders and regulations affecting the assets and requiring observance or performance by it and no notice of any breach of any such matters has been received.
- (d) The Company has not entered into any agreement to sell, transfer, encumber, or otherwise dispose of or impair its respective rights, title, and interests in and to the assets or the easement rights relating to the assets, if any;
- (e) The Company has not leased or otherwise granted to any person, the right to sublet, use, or occupy any of the assets owned or possessed by the Company;
- (f) There are not matters affecting the right, title, and interest of the Company in the properties, which would adversely affect the ability of the Company to carry out its Business substantially in the same manner in which it is currently being carried out;

22. **Sanctions**

- (a) Neither the Company or any of its directors, officers or employees or, the Company's knowledge, any person acting on any of their behalf:
 - (i) is a Restricted Party; or
 - (ii) has received notice of or is aware of any claim, action, suit, proceeding or investigation against it with respect to Sanctions by any Sanctions Authority.
- (b) No member of the Group or any director or officer of a member of the Group, is currently subject to any US sanctions administered by OFAC or pursuant to the U.S. Iran Sanctions Act of 1996 and the U.S. Comprehensive Iran Sanctions,

Accountability, and Divestment Act of 2010, or any equivalent sanctions or measures imposed by the United Nations Security Council, the European Union or any other relevant government entity or Sanctions Authority, and no member of the Group will directly or indirectly use the proceeds of the Subscription Shares, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity, for the purpose of financing the activities of any person currently subject to any US sanctions administered by OFAC or pursuant to Iran Sanctions Act (ISA) and The Comprehensive Iran Sanctions, Accountability, and Divestment Act (CISADA), or any equivalent sanctions or measures imposed by the United Nations, the European Union or any other relevant governmental entity, that could result in a violation of Sanctions by any member of the Group.

23. Anti-Bribery and Corruption Laws

- (a) To the best of its knowledge and belief, after reasonable enquiry and diligence, the Company has conducted and is conducting its businesses in compliance with the Anti-Bribery and Corruption Laws.
- (b) To the best of its knowledge and belief, after reasonable enquiry and diligence, the Company has instituted and maintains systems, controls, policies and procedures designed to:
 - (i) detect incidences of bribery and corruption; and
 - (ii) promote and achieve compliance with the Anti-Bribery and Corruption Laws.
- (c) Neither the Company nor as far as it is (or ought reasonably to be) aware, after reasonable enquiry and diligence by it, any of their respective directors, officers, employees, agents, representatives or any other persons acting for or on its behalf has:
 - (i) directly or indirectly, made, offered to make, promised to make or authorized the payment or giving of, anything of value to any persons, while knowing that all or a portion of such money or thing of value will be offered, given or promised, directly or indirectly, to a person to influence that person in his or her official capacity, induce that person to do or omit an act in violation of his or her lawful duty, or to secure any improper advantage in order to assist in obtaining or retaining business for or with, or directly business to, any person that may or may not constitute an “unlawful payment” or “improper transfer of value” within the meaning of, and is not in any other way in violation of the Anti-Bribery and Corruption Laws;
 - (ii) directly or indirectly used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political office or activity;
 - (iii) made any direct or indirect unlawful payment or improper transfer of value to any public official or any company employee from corporate funds;
 - (iv) received directly or indirectly any bribe, rebate, payoff, influence payment, kickback or other unlawful payment or improper transfer of value prohibited under any Anti-Bribery and Corruption Laws; or
 - (v) been (as far as it is aware) or is subject to any litigation, arbitration or administrative, regulatory or criminal proceedings or investigation with

regard to any actual or alleged unlawful payment, improper transfer of value or other violation of any Anti-Bribery and Corruption Laws.

24. **Anti-Money Laundering and Anti-Terrorism Financing Laws**

The operations of each member of the Group are and have been conducted at all times in all material respects in compliance with all Anti-Money Laundering and Anti-Terrorism Financing Laws and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving a member of the Group with respect to any Anti-Money Laundering and Anti-Terrorism Financing Laws is pending and, to the best of the Company's knowledge, no such actions, suits or proceedings are threatened in writing or contemplated.

25. **Regulatory declarations**

Except as set out in Schedule 7 (*Disclosure of default by the Company*), neither the Company nor any of its directors, OP Lohia Group, Associates or Affiliates is:

- (a) on the Export credit Guarantee Corporation's (ECGC's) specified approval list; or
- (b) convicted under the provisions of Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974; or
- (c) on Reserve Bank of India's defaulters or caution list; or
- (d) on any lender's defaulter list.

26. **Business of the Company**

The Company does not carry out or conduct any business and operations other than the Business.

27. **Transactions with Affiliates**

All contracts, agreements, commitments or arrangements between the Company and an Affiliate or any related party (as defined under the Companies Act) are on an arm's length basis and in compliance with Applicable Laws.

28. **Material Contracts**

28.1 The Company is not a party to, and neither the Company nor its assets are bound or affected by any Material Contract that:

- (A) is not in the Ordinary Course of Business of the Company; or
- (B) is of an unusually onerous nature; or
- (C) Imposes any non-compete or exclusivity obligations on the Company or restricts Company's freedom to carry on its Business.

28.2 All of the Material Contracts to which the Company is a party to are valid and subsisting and the Company is in material compliance with the terms of the Material Contracts. Nothing contained in this Agreement would be in contravention of any of the Material Contracts to which the Company is a party or by which the Company and/or any of its assets are bound.

28.3 All Material Contracts executed by and on behalf of the Company have been executed by persons duly authorized to execute such Material Contracts on behalf of the Company and are valid, enforceable and binding upon its parties.

28.4 To the knowledge of the Company and OP Lohia Group, there are no circumstances likely to give rise to any default under any Material Contract to which a Company stands

a party, and there are no outstanding claims or liabilities for breach or alleged breach of any restrictive covenants or any allegations of defamation, against the Company. To the knowledge of the Company and OP Lohia Group, no party with whom the Company has entered into any Material Contract or arrangement is in default under such contract.

28.5 The Company has not made any improper payments or taken any other actions which violate Applicable Law in order to obtain or maintain any Material Contract.

29. **Labor Matters**

29.1 The Company has complied with all Applicable Laws related to employment matters and with the terms of employment of each employee, including with respect to statutory contribution and payment of employment benefits. All wages and salaries of and other benefits given to the employees have been paid in full when due in the ordinary course of business. The Company is currently negotiating the terms of the long-term settlement agreement with the workmen.

29.2 On and after the Accounts Date, the Company has not revised the remuneration payable to any key managerial personnel or directors except in the ordinary course of Business.

29.3 The Company has not granted any loan and/or advance, or provided any guarantee or financial assistance to any of its directors (past or present), which is outstanding.

29.4 The payments made to the key managerial personnel/directors of the Company are in accordance with Applicable Law.

29.5 There are no disputes between the Company and any union or other organization formed for a similar purpose existing or pending and there are no collective bargaining agreements or other arrangements to which the Company is a party.

30. **Accounts Receivable; Accounts Payable.**

30.1 Except for Schedule 7 (*Disclosure of default by the Company*) all accounts, notes receivable and other receivables of the Company reflected on the latest financial statements and the accounts receivable arising after the date thereof (i) arise from valid transactions entered into in the ordinary course, (ii) constitute only valid, undisputed claims of the Company not subject to claim of set-off or other defenses or counterclaims other than normal cash discounts accrued in the ordinary course of business consistent with past practice and are collectible in full within 12 months.

30.2 Except as disclosed in the financial statements, there are no unpaid invoices or bills individually representing amounts in excess of INR 3 crores, alleged to be owned by the Company.

30.3 All loans and advances and current assets outstanding as at Closing Date are realizable at the book value except the discounts etc. in the ordinary course of business.

SCHEDULE 3A: WARRANTIES OF INBV AND INDORAMA VENTURES

For the purpose of this Schedule 3A, the IVL Group shall mean the Indorama Ventures, its Affiliates and Associates.

1. Sanctions

- (a) Neither INBV and Indorama Ventures, or any of its directors, officers or employees or the INBV and Indorama Ventures's knowledge, any persons acting on any of their behalf:
 - (i) is a Restricted Party: or
 - (ii) has received notice of or is aware of any claim, action, suit, proceeding or investigation against it with respect to Sanctions by any Sanctions Authority.
- (b) No member of IVL Group or any director or officer of a member of the Group, is currently subject to any US sanctions administered by OFAC or pursuant to the U.S. Iran Sanctions Act of 1996 and the U.S. Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010, or any equivalent sanctions or measures imposed by the United Nations Security Council, the European Union or any other relevant governmental entity or Sanctions Authority.

2. Anti-Bribery and Corruption Laws

- (a) To the best of its knowledge and belief, after reasonable enquiry and diligence, the INBV and Indorama Ventures has conducted and are conducting their businesses in compliance with the Anti-Bribery and Corruption Laws.
- (b) To the best of its knowledge and belief, after reasonable enquiry and diligence, the INBV and Indorama Ventures has instituted and maintains systems, controls, policies and procedures designed to:
 - (i) detect incidences of bribery and corruption; and
 - (ii) promote and achieve compliance with the Anti-Bribery and Corruption Laws.
- (c) Neither the INBV and nor Indorama Ventures and not, as far as it is (or ought reasonably to be) aware, after reasonable enquiry and diligence by it, any of their respective directors, officers, employees, agents, representatives or any other persons acting for or on its behalf has:
 - (i) directly or indirectly, made, offered to make, promised to make or authorized the payment or giving of, anything of value to any person, while knowing that all or a portion of such money or thing of value will be offered, given or promised, directly or indirectly, to a person to influence that person in his or her official capacity, induce that person to do or omit an act in violation of his or her lawful duty, or to secure any improper advantage in order to assist in obtaining or retaining business for or with, or directing business to, any person that may or may not constitute an "unlawful payment" or "improper transfer of value" within the meaning of, and is not in any other way in violating of the Anti-Bribery and Corruption Laws;
 - (ii) directly or indirectly used any corporate funds of any unlawful contribution, gift, entertainment or other unlawful expense relating to political office or activity;
 - (iii) made any direct or indirect unlawful payment or improper transfer of value to any public official or any INBV and Indorama Ventures employee from corporate funds;

- (iv) received directly or indirectly any bribe, rebate, payoff, influence payment, kickback or other unlawful payment or improper transfer of value prohibited under any Anti-Bribery and Corruption Laws; or
- (v) been (as far as it is aware) or is subject to any litigation, arbitration or administrative, regulatory or criminal proceedings or investigation with regard to any actual or alleged unlawful payment, improper transfer of value or other violation of any Anti-Bribery and Corruption Laws.

3. **Anti-Money Laundering and Anti-Terrorism Financing Laws**

The operations of each member of the IVL Group are and have been conducted at all times in all material respects in compliance with all Anti-Money Laundering and Anti-Terrorism Financing Laws and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving a member of the IVL Group with respect to any Anti-Money Laundering and Anti-Terrorism Financing Laws is pending and, to the best of the INBV and Indorama Ventures's knowledge, no such actions, suits or proceedings are threatened in writing or contemplated. Further, INBV and Indorama Ventures has not breached any Anti-Money Laundering and Anti-Terrorism Financing Laws.

SCHEDULE 4: DEED OF ADHERENCE

THIS DEED is dated the [i%] day of [j%] (“**Deed of Adherence**”) and made **BETWEEN**

- (1) [i%] of [j%] (the “**New Shareholder**”); **AND**
- (2) [i%] of [j%] (the “**Transferor**”);

IN FAVOUR OF:

- (A) Indo Rama Synthetics (India) Limited, a public limited company incorporated under the laws of India, having a corporate identity number (CIN) [i%] and its registered office [j%] (the “**Company**”); and
- (B) The OP Lohia Group
(collectively the “**Continuing Parties**”).

THIS DEED IS SUPPLEMENTAL to the Investment Agreement (“**Agreement**”) executed on [insert date], between the *inter alia* the Transferor and the Company.

WHEREAS:

Pursuant to an [i%], the Transferor has transferred its [i%] Equity Shares to the New Shareholder.

NOW THEREFORE THIS DEED OF ADHERENCE WITNESSETH AS FOLLOWS:

In consideration of the Transferor having transferred its [i%] Equity Shares to the New Shareholder and in consideration of having agreed to such transfer:

1. The New Shareholder hereby confirms to the Transferor and the Continuing Parties that a copy of the Agreement have been made available to it and hereby undertakes to the Continuing Parties to observe, perform and be bound by all the terms which are applicable to the New Shareholder and the New Shareholder shall be deemed, with effect from the date on which the New Shareholder is registered as a member of the Company, to be a Party to the Agreement and to be bound by all the terms thereof as they applied to the Transferor and as if the New Shareholder had executed the Agreement instead of the Transferor.
2. Capitalised terms not defined herein shall have the meaning ascribed to them in the Agreement.
3. This Deed of Adherence shall be governed in all respects by the laws of India.
4. Service of notice on the New Shareholder at the address specified herein shall constitute compliance with the provisions of Article [i%] of the Agreement:

[insert address details]

By:
Title:
For the New Shareholder

By:
Title:
For the Transferor

SCHEDULE 5: AFFIRMATIVE VOTING RIGHT

1. Altering the share capital structure of the Company, including the issuance of any security convertible into Equity Shares, or the repurchase or redemption of securities convertible into Equity Shares, or creation of new classes of securities convertible into Equity Shares, or reduction of share capital of the Company or altering rights attaching to any class of shares, or create any option or right to acquire any Equity Shares or adopting any share option or share incentive scheme or employee share trust or share ownership plan or, any other re-organisation of the share capital of the Company including delisting of shares of the Company.
2. Diversification of activities by the Company into areas unrelated to the Business.
3. Commencing of or undertaking any steps for the merger, amalgamation, restructuring and/or consolidation, winding up or liquidation of the Company.
4. Change of the Company's internal or statutory auditor, or any material change in the Company's accounting policies or methods other than as required by applicable laws.
5. Amendment to the Memorandum and Articles or change in status / constitution of Company, except in furtherance of the Definitive Agreements.
6. Sell or otherwise dispose off the whole or any part of its undertaking, land, building, plant and machinery or any investment or interest therein or contract to do so, whether or not for valuable consideration, having a book value exceeding INR 5,00,00,000 (Indian Rupees Five crore) per financial year, other than in relation to (A) sale of products in ordinary course of business; (B) cash and cash equivalents, treasury investments undertaken by the Company in the ordinary course of business.
7. Shifting of registered office of the Company.
8. Any write-off of any of the receivables, loan and advances, investments or inventories above INR 50,00,000 (Indian Rupees Fifty lakhs), other than as required by IndAS.
9. Creation or disposal of any subsidiaries or joint ventures or transfer of any interest in any subsidiaries or joint ventures.
10. Any new project/capex to be taken up by the Company for more than INR 35 crore in any financial year which has not already been approved in the Business Plan.
11. Providing any corporate guarantee by the Company for any related party debt.
12. Investment of excess cash by the Company exceeding INR 20 Crores in shares/ stocks/ mutual funds and subsequent divestment of such shares/ stocks/ mutual funds for a value exceeding INR 20 Crores.
13. Declaration of dividend by the Company.
14. Appointment and re-appointment of independent directors.

SCHEDULE 6: RECEIVABLES, ADVANCES

1. DTA – Deferred Tax Asset
2. Insurance claim receivable from Iffko Tokio and interest accrued on the same.
3. Accounts receivables overdue or outstanding for more than 180 days as on the Closing Date.
4. Advances to Vendors potentially not recoverable including, but not limited to, the following vendors:
 - a. China National Electronics
 - b. Western Coal Fields Ltd.
 - c. Xindeco Resources
 - d. Infrastructure Logistic System
5. Surrender Value of Keyman Insurance
6. Any other asset (current or non-current) standing in the books of accounts of the Company which is potentially not recoverable based on due diligence of the Company
7. Any liability (including of contingent nature) for which provision needs to be made in the books of account of the Company based on due diligence of the Company.

SCHEDULE 7: DISCLOSURE OF DEFAULT BY THE COMPANY

A. Details of financial defaults by the Company

| Lender | Nature of Facility | Default amount as on 20 th Jan 2019 (in Crores) |
|---------------------------|--------------------------|--|
| IKB | Term Loan | 53.31 |
| Bank of India | Term Loan | 5.00 |
| State Bank of India | Term Loan | 2.06 |
| Bank of India | Working Capital Facility | 122.55 |
| State Bank of India | Working Capital Facility | 40.62 |
| Oriental Bank of Commerce | Working Capital Facility | 10.30 |
| Axis bank Ltd | Working Capital Facility | 16.87 |

B. Details of matters in dispute/under appeal at various forum

| Particulars | As at 20 th Jan 2019 |
|-----------------------------------|---------------------------------|
| Matters in dispute / under appeal | Rs. Crores |
| Excise matters | 95.90 |
| Service Tax matter | 1.56 |
| Customs related matters | 3.53 |
| Labour related matters | 1.07 |
| Income Tax related matters | 23.51 |
| Sales Tax related matters | 10.27 |
| TOTAL | 135.84 |

C. Commitments under Advance Licence

The Company has commitments to export 68,710 MT of finished goods as per foreign trade policy pursuant to import of duty free material under advance license scheme.

D. Overdue vendor Commitments:

Reschedulement of overdue vendor payment.

| Names, addresses, Description and Occupation of each Subscribers | Signatures of Subscribers | Name, address, description, occupation and signature of the witness |
|--|---------------------------|---|
| <p>1. Om Prakash Lohia S/o Shri Mohan Lal Lohia R-69 G. Kailash-I New Delhi-110048 (Industrialist)</p> | Sd/- | <p style="text-align: center;">Sd/- Raj Kumar Agrawal S/o Shri Sita Ram Agrawal B-44, Ashok Vihar, Phase-I, Delhi-110052 Chartered Accountant</p> |
| <p>2. Om Prakash Goyal S/o Late Chhabildassji 35, Nizamuddin-East New Delhi-110013 (Industrialist)</p> | Sd/- | |
| <p>3. Uma Shankar Goenka S/o Late Jagmohan Goenka D-2, Maharani Bagh New Delhi-110065 (Industrialist)</p> | Sd/- | |
| <p>4. Surendra Singh Surana S/o Pratap Singh Surana E-125 Masjid Moth New Delhi-110048 (Chartered Accountant)</p> | Sd/- | |
| <p>5. Ashok Kumar Ladha S/o Late B.D. Ladha A/44, N.D.S.E. II, New Delhi (Business Executive)</p> | Sd/- | |
| <p>6. Urmila Lohia W/o Shri O.P. Lohia R-69, G. Kailash-I New Delhi (House Wife)</p> | Sd/- | |
| <p>7. Kishan Kumar Mittal S/o Shri Maliram Mittal C/18, G.K. Part I New Delhi-110048 (Business)</p> | Sd/- | |

New Delhi

Dated this 15th Day of April, 1986.

**IN THE HIGH COURT OF JUDICATURE AT
MADHYA PRADESH, INDORE BENCH
COMPANY PETITION NO. 29 OF 2002
IN
COMPANY APPLICATION. 25 OF 2002**

In the matter of the Companies Act, 1956

AND

In the matter of Section 391 to 394 of the Companies Act, 1956

AND

In the matter of the Scheme of Arrangement between

M/s Indo Rama Synthetics (India) Limited, a Company incorporated under the Companies Act, 1956 as a Public Limited Company having its registered office at 51A, Industrial Area, Sector III, Pithampur 453001, Distt. Dhar (M.P.)

....Petitioner/Transferor Company

AND

M/s Indo Rama Textiles Limited, a Company incorporated under the Companies Act, 1956 as a Public Limited Company having its registered office at Mohandev Building, 7th Floor, 13, Tolstoy Marg, New Delhi-110001

....Petitioner/Transferee Company

The humble Petition of M/s Indo Rama Synthetics (India) Limited Most Respectfully SHEWETH:

**HIGH COURT OF MADHYA PRADESH: BENCH AT INDORE:
HON'BLE SHRI JUSTICE A M SAPRE:
COMPANY PETITION NO. 29 OF 2002.**

M/s Indo Rama Synthetics

Vs.

M/s Indorama Textiles.

.....

Shri S.K. Dholakia with Shri R. Saboo, L/c
For the Petitioner.

Shri A.P. Patankar, for Income-Tax Department.

.....

JUDGMENT

(Passed on this day of 24th March, 2003)

This is a Company Petition filed by the two companies known as M/s Indo Rama Synthetics (India) Limited (for short hereinafter called as IRSL) as Transferor Company and M/s Indo Rama Textiles Limited (hereinafter called as IRTL) a Transferee Company. It is filed under Section 391 read with Section 394 of the Companies Act for according sanction by this Court for the Scheme of Arrangement/Demerger whereby spinning business of the IRSL i.e. Transferor Company is to be transferred and vested in the IRTL i.e. Transferee Company as a going concern w.e.f. 1.4.2002 as detailed in the Scheme of Arrangement/Demerger (Annexure A). The Arrangement/Demerger is sought essentially to accomplish following factors which are considered to be in the interest of both the Companies as also to their respective shareholders and considers. These factors are:

- a. Clear management focus in as much as each company will have a separate management which can focus on improving shareholder value in each of them.

- b. Each Company shall be in a position to pursue its own growth strategy. As the two businesses are expected to require different growth paths, keeping the two companies separate will ensure that each can pursue its own growth trajectory.
- c. In so far as the stock market is concerned the combined valuation of separate companies is likely to be higher than what the Transferor Company achieves currently.
- c. If the two businesses are separated out through a demerger process, the shareholders of the Transferor Company will get a proportionate stake in both the companies.
- d. Keeping in view good Corporate Governance practice, the minority equity shareholders of both the companies will be given an option to continue or exit as equity shareholder in either of the two companies, subject to a maximum of 20% of the total paid up equity share capital of the respective Companies.

It is averred in the Petition that with a view to achieve the aforementioned objective and to enable the Transferee Company to carry on the spinning business more effectively and profitably, the demerger/ arrangement is proposed.

2. This Court while deciding the earlier Company Petition No. 25/2002 filed by these two companies had directed by order dated 11.11.2002 for convening of the meetings of shareholders as also that of creditors of IRSL i.e. Transferor Company as contemplated by Section 391/394 of the Act by appointing B.L. Pavecha, Senior Advocate of this Court, as Chairman. Accordingly Mr. Pavecha convened the meeting of share holders as also that of creditors on 13.12.2002 after following due procedure prescribed under the Act and the rules as directed by this Court in its order dated 11.11.2002 passed in Company Petition No. 25/2002 for issuance of notices to share holders and creditors. The Chairman has then submitted his report dated 14.12.2002 in terms of Rule 78 of the Company Court Rules, 1959.
3. Similarly, this Court in terms of the requirement of Act and the Rules issued notice of the petition to Registrar of companies inviting their objections, if any, to the proposed Scheme of Arrangement/Demerger. Accordingly on 29.1.2003 the Registrar of Companies filed their reply/objection. It is contended that the Registrar has no objection to the acceptance of the Scheme as proposed though according to registrar, the adjustment of accumulated losses of Rs. 149.83 Crores against the share premium account provided in the Scheme is not in conformity with the requirement of Section 78 (2) of the Act. It is this factor which is brought to the notice of this Court by the Registrar in its reply. As observed supra but for this fact the Registrar has opined that the Scheme in question is in conformity with the requirement of law/and secondly affairs of the Company are conducted in the manner not prejudicial to the interest of its members or public interest.
4. It is also reported by the Chairman in his report dated 14.12.2002 that all the share holders as also the creditors of the Transferor Company have unanimously consented to the proposed scheme of Arrangement/Demerger. In other words the Scheme in question has been approved by the entire body of share holders as also creditors of the Transferor Company, in the meeting held on 13.12.2002.
5. It may also be mentioned that so far as Transferee Company is concerned, they had applied for obtaining sanction to the Scheme in question before the Delhi High Court being C.P. No. 4/2003 for the reason that the registered office of the Transferee Company is situated at New Delhi. The learned Company Judge of Delhi High Court by order dated 27.2.2003 has allowed the Company Petition filed by the Transferee Company and has accorded due sanction to the Scheme in question in toto and without making any changes in the Scheme proposed. A copy of the said order dated 27.2.2003 was brought to the notice of this Court after the close of this case by L/c for Petitioner Company, Shri Saboo.
6. Heard Shri S.K. Dholakiya with Shri R.Saboo, L/c for the Petitioner. Shri A.P. Patankar, L/c for the Department.
7. Having heard the L/c for the parties and having perused the record of the case, I am inclined to grant sanction to the Scheme (Annexure A) proposed by the aforementioned Companies.
8. In my considered opinion, I have not been able to notice any infirmity or objectionable feature of any kind or illegality or lacking bonafides in the Scheme so proposed. It also does not appear to have been framed to defeat the rights of the creditors or any class of creditors or even any class or group of minority share holder or to defeat any Governmental dues or Revenue. Indeed all persons, who are directly or indirectly associated and dealing with the Transferor Company, such as share holders, creditors, Registrar of the Companies have given their no objection certificate/consent for approval of the Scheme in question. As taken note of Supra, the Scheme in question has been unanimously passed and approved by share holders and creditors in their meeting held on 13.12.2003 under the Chairman appointed by this Court.

9. It can not be disputed that all such schemes are essentially meant for share holders and creditors of the Company. When the entire body of share holders and creditors do not object to it and on the other hand approves it in express terms in the specially convened meeting for the said purpose then it has to be given effect to because wishes of share holders and creditors must be allowed to prevail in the absence of any other illegality being noticed by this Court within the meaning of Section 391 and 394 of the Companies Act. Moreover when the Delhi High Court by order dated 27.02.2003 passed in C.P. No. 4/2003 has also allowed the Petition filed by Transferee Company and accorded sanction to the Scheme in question, there does not arise any occasion for this Court to decline the sanction to the proposed Scheme.
10. Submission of L/c for the Registrar was that one of the condition in the proposed scheme violets the requirement of Section 78 (2) of the Act and hence the Scheme suffers infirmity. L/c contended that adjustment of accumulated losses amounting to Rs. 149.83 Crores against the amount lying in securities premium account (SPA) is not permissible because it is not in conformity with the requirement of Section 78 (2) *ibid*. I do not find any merit in this submission. Firstly, it is essentially for the share holders whose money is collected and kept by the Company in the securities premium account to raise an objection about such adjustments. In other words it is essentially for the share holders of the Company to raised an objection that the losses incurred by the Company should not be allowed to be adjusted against the amount lying in SPA. Admittedly, no such objection was raised by the share holders of such adjustment proposed in the Scheme in the meeting held on 13.12.2002. Not only that even in this petition no share holder came forward to raise any objection in regard to this condition of adjustment of the losses against the amount lying in SPA. On the other hand, the share holders have given their express consent/ approval for such adjustment proposed by the Company in the Scheme in question. Secondly, even the creditors have given their consent for such adjustment. Since in terms of Section 78 (1) of the Act such adjustment may be taken at par with reduction of share capital within the meaning of Section 100 (though in reality it is not so), the consent of creditors were also taken as contemplated under Section 100 (2) of the Act they being the class likely to be affected by the reduction of securities capital of a Company due to adjustment proposed. As observed *Supra*, even the creditors of the Transferor Company have given their express consent to such adjustment of accumulated losses against the money lying in SPA. Under these circumstances and in view of these admitted facts emerging from the record of the case, there does not appear any impediment much less legal or otherwise which may come against the Company while giving effect to such adjustment. Thirdly, even after giving effect to adjustment/writing off of Rs. 1,49,82,77,584/- being the accumulated losses against the total balance amount lying in SPA i.e. Rs. 39932.09 lacs there remains substantial amount in SPA for being used to meet any of the contingency if arises as envisaged under Section 78 (2) of the Act. In other words, even after carrying out the adjustment of losses against the amount lying in SPA there remains sufficient surplus money in SPA which can be used if occasion arises to meet the eventualities specified in Section 78 (2) of the Act. That apart, in terms of clause 28 (iv) of the Scheme, a sum of Rs. 77,32,79,584/- has to be credited to the Transferee Company in the SPA account to safeguard the interest of share holders of the Transferor Company. That apart adequate provision has been made in the Scheme to safeguard the interest of shareholders. Needless to observe, the SPA account which is to be created in terms of Clause 28 (iv) of the Scheme with the amount of Rs. 7,73,42,78,584/- will be earmarked and utilised only for the purpose of those eventualities which are enumerated in Section 78 (2) (a) to (d) *ibid* by the Company unless otherwise permitted by the Court. In my opinion, therefore, the objection raised by the Registrar does not have any merit.
11. In my opinion, thus the Scheme proposed appears more on administrative basis. It will enable the companies to run their business more effectively and economically than what they are presently functioning. It will certainly reduce the expenses which are being incurred today by these companies. Moreover, the proposed Scheme does take into consideration and safeguard the rights of shareholders of the Transferor company who will be offered shares as detailed in the Scheme. In other words, none of the liabilities of the Transferor Company are in any way going to be adversely affected by the Scheme if allowed to be implemented. So far as the rights of the creditors are concerned, they also remain intact so too share holders who will be paid dividend on their shareholding depending upon the profitability of the Company and the business done.
12. I, therefore, allow the application and grant sanction to the proposed Scheme of Arrangement/Demerger (Annexure A) by overruling the objections raised by the Registrar. A separate order as per the Rule 84 in Form 42 is accordingly, passed. Petitioner to pay fees of standing counsel for the Central Government Rs. 10,000/-.

Sd/-
(AM Sapre)
Judge

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY
(NAGPUR BENCH)
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY PETITION NO. 15 OF 2007
CONNECTED WITH
COMPANY APPLICATION (M) NO. 97 OF 2007**

**IN THE MATTER OF:
THE COMPANIES ACT, 1956**

A N D

**IN THE MATTER OF:
Sections 391 to Section 394 of the said Act**

A N D

IN THE MATTER OF:

Indo Rama Synthetics (India) Limited

A Company incorporated
under the provisions of the Companies Act, 1956
having its Registered Office at
31-A MIDC Industrial Area
Butibori –441122, Distt Nagpur,
Maharashtra

A N D

IN THE MATTER OF:

Scheme of Amalgamation between
Indo Rama Petrochemicals Limited and
Indo Rama Synthetics (India) Limited

Indo Rama Synthetics (India) Limited

A Company incorporated
under the provisions of the Companies Act, 1956
having its Registered Office at
31-A MIDC Industrial Area
Butibori – 441122, Distt Nagpur,
Maharashtra

PETITIONER/TRANSFeree COMPANY

**FARAD CONTINUATION SHEET
IN THE HIGH COURT OF JUDICATURE AT BOMBAY
NAGPUR BENCH: NAGPUR**

COMPANY PETITION NO. 15 OF 2007

**Office Notes, office memoranda of Coram
appearances, court's orders or directions
and Registrar's order.**

**Court's or Judge's
order**

**Coram : C.L. Pangarkar. J.
Date : 17th December, 2007**

1. Heard Mr. A.C. Dharmadhikari, Advocate for the petitioner and Mr. U.S. Patole, Official Liquidator.
2. The above petition coming for hearing on 17th day of December, 2007. Upon reading the said petition, the orders dated 3rd day of September, 2007 and 10th day of September, 2007 whereby the said company was ordered to convene separate meetings of (a) shareholders, (b) Secured creditors and (c) unsecured creditors of the Transferee Company on 25th October, 2007 for the purposes of considering and, if thought fit, approving with or without modification, the Scheme of Amalgamation proposed to be made between the said company and M/s Indo Rama Petrochemical Ltd., annexed to the affidavit of Shri N.C. Jain filed on 10th day of November, 2007, the newspapers' 'Financial Express' and Lokmat dated 28th September, 2007 and gazette dated 27/9/2007, each containing the advertisement of the said notice convening the said meetings(s) directed to be

held by the said orders dated 3rd September, 2007 and 10th day of September, 2007, the affidavit of Shri O.P. Lohia, Chairman appointed for the meeting(s) dated 25/10/2007, showing the publication and dispatch of the notices convening the said meetings(s), the report dated 13th November, 2007 of the Chairman of the said meeting(s) as to result of the said meetings and upon hearing Shri Ashutosh Dharmadhikari, Shri H.S. Chandhoke, Shri Shantanu Khedkar and Ms. Kamal Preet Sahni, Advocates for the petitioner company, and it appearing from the report that the Scheme of Amalgamation which has been approved unanimously by the equity shareholders, secured creditors and unsecured creditors, present in person or through authorised representative or by proxy and voting and approving the scheme of Amalgamation. The Company petition is allowed and the Scheme of Amalgamation is confirmed. In so far as the Transferee Company is concerned, the Scheme will come to effect from the appointed date given in the Scheme, subject to the filing of the final order with the Registrar of Companies.

3. Heard Mr. Dharmadhikari. It is found that the affidavit of one V. Sreenivasa Rao, Regional Director, Western Region, Ministry of Corporate Affairs, has been filed. After having gone through the said affidavit, it is found that he has gone through the entire scheme of the amalgamation and has no objection and only objections that have been raised are mentioned in para 6 of the said affidavit. They relate to compliance of Section 94 and 97 of the Companies Act and also payment of R.O.C. fees. In this regard it was submitted by Shri Dharmadhikari that as far as compliance of Section 94 and 97 is concerned, that is not required in the particular case because of the fact that the authorised capital of the company does not exceed even after a merger of the transferor company. In view of this, compliance of Section 97 is not at all required. Learned counsel for the petitioner has also placed before me the decision of this court in Company petition No. 64 and 65 of 2007 decided on 11/4/2007 at Bombay. After having gone through the said decision, it is apparent that in such cases R.O.C. fee is not required to be paid. In view of this, both these objections do not survive.
- 1) That all the property, rights and powers of the above named Transferor Company specified in the first, second and third parts of the Schedule hereto and all other property, rights and powers of the Transferor Company and accordingly the same shall pursuant to section 394 (2) of the Companies Act, 1956, be transferred to and vest in the Transferee Company for all the estate and interest of the Transferor Company therein but subject nevertheless to all charges now affecting the same; and
 - 2) That all the liabilities and duties of the Transferor Company be transferred without further act or deed to the Transferee Company and accordingly the same shall, pursuant to section 394(2) of the Companies Act, 1956, be transferred to and become the liabilities and duties of the transferee Company, and
 - 3) That all proceedings now pending by or against the Transferor Company be continued by or against the Transferee Company; and
 - 4) That the share capital of the Transferor Company held by the Transferee Company, upon the scheme becoming finally effective, will stand automatically cancelled. Further that the shareholders of the Transferor company, other than the transferee company, whose names are recorded in the register of members on the Record date be issued and allotted, at par; equity shares of Rs. 10/- (Rs. ten only) each credited as fully paid up in the ratio of 16 (sixteen) equity shares of face value of Rs. 10/- (ten) each in the Transferee Company for every 10 (ten) equity shares of face value of Rs. 10/- (ten) each held in the Transferor Company; and
 - 5) That the Transferor Company do within 30 days after the date of this order cause a certified copy of this order to be delivered to the Registrar of Companies for registration and on such certificate copy being so delivered the Transferor Company shall be dissolved and the Registrar of Companies shall place all documents relating to the Transferor Company, and registered with him on the file kept by him in relation to the Transferee Company and the files relating to the said two Companies shall be consolidated accordingly; and
 - 6) That any person interested shall be at liberty to apply to the Court in the above matter for any directions that may be necessary.

True Copy

Sd/-
Assistant Registrar
High Court of Bombay
Bench at Nagpur
19.12.07

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH, MUMBAI
COMPANY SCHEME PETITION NO. 153 OF 2017**

In the matter of Companies Act, 1956 (1 of 1956):

AND

In the matter of Section 230-232 of the Companies Act, 2013

AND

In the matter of Scheme of Amalgamation of Indo Rama Renewables Limited (Transferor / Petitioner Company No. 1), Indo Rama Renewables Ramgarh Limited (Transferor/ Petitioner Company No. 2) Indo Rama Renewables Porbandar Limited (Transferor / Petitioner Company No. 3) with Indo Rama Synthetics (India) Limited (Transferee/Petitioner Company) and their Respective Shareholders

INDO RAMA RENEWABLES LIMITED)
A Company duly incorporated under)
The Companies Act, 1956 and having)
its Registered Office at)
31-A, MIDC Industrial Area,)
Butibori-441122)
..... Transferor/Petitioner Company No. 1

INDO RAMA RENEWABLES RAMGARH LIMITED)
A Company duly incorporated under)
The Companies Act, 1956 and having)
its Registered Office at)
31-A, MIDC Industrial Area,)
Butibori-441122)
..... Transferor/Petitioner Company No. 2

INDO RAMA RENEWABLES PORBANDAR LIMITED)
A Company duly incorporated under)
The Company Act, 1956 and having)
its Registered Office at)
31-A, MIDC Industrial Area,)
Butibori-441122)
..... Transferor/Petitioner Company No. 3

INDO RAMA SYNTHETICS (INDIA) LIMITED)
A Company duly incorporated under)
The Companies Act, 1956 and having)
its Registered Office at)
31-A, MIDC Industrial Area,)
Butibori-441122)
.....Transferee/Petitioner Company

Mr. Hemant Sethi, i/b Mr. Nitin Lalwani for Petitioners

CORAM: B.S.V. Prakash Kumar, Member (Judicial)

V. Nallasenapathy, Member (Technical)

Date: 29th March, 2017

1. Heard the learned counsel for the Petitioner Companies. No objector has come before this Tribunal to oppose the Petition and nor any party has controverted any averments made in the Petition.
2. The sanction of this Tribunal is sought under Sections 230 to 232 of the Companies Act, 2013, to the Scheme of Amalgamation of Indo Rama Renewables Limited (Transferor/Petitioner Company No. 1), Indo Rama Renewables Ramgarh Limited (Transferor/Petitioner Company No. 2), Indo Rama Renewables Porbandar Limited (Transferor/Petitioner Company No. 3) with Indo Rama Synthetics (India) Limited (Transferor/Petitioner Company).
3. The Counsel for the Petitioner Companies submit that Transferor Company No. 1, 2 & 3 is engaged in the business of generation, development, transmission and distribution of power and any other form of conventional, non-conventional, renewable and alternate energy. The Transferee Company is engaged in the business of manufacturing and supplying polyester in and outside India and generation, development, transmission and distribution of power.
4. The respective Boards of Directors are of the view that the proposed Scheme of Amalgamation is beneficial to the respective shareholders, employees and all stakeholders of the Petitioner Companies. The proposed Scheme of Arrangement is aimed at achieving the following business and commercial objectives:
 - a. Greater efficiency in resource management, cost savings resulting from rationalization, standardization and simplification of business processes.
 - b. Improved organizational capability arising from pooling of financial, managerial and technical resources.
 - c. Re-aligning the business operations as part of overall business reorganization plan.
 - d. Avoiding un-necessary duplication of costs of administration, distribution, selling and marketing costs.
 - e. Maximize the overall shareholders value by strengthening its core competencies.
5. The Board of Directors of the Transferor Companies and the Transferee Company have approved the said Scheme of Amalgamation by passing necessary Board Resolutions which are annexed to the respective Company Scheme Petition filed by the Petitioner Companies.
6. The Learned Counsel appearing on behalf of the Petitioner Companies further states that the Petitioner Companies have complied with all requirement as per directions of the Court/Tribunal and the the necessary affidavits of compliance has been filed in the Court/Tribunal. Moreover, the Petitioner Companies through their Counsel undertake to comply with all statutory requirements, if any, as required under the Companies Act, 1956 /2013 and the Rules made there under whichever is applicable. The said undertakings given by the Petitioner Companies are accepted.
7. The Official Liquidator has filed his report 23rd March, 2017 stating that the affairs of the Transferor Companies have been conducted in a proper manner and that Transferor Companies may be ordered to be dissolved.
8. The Regional Director has filed his report dated 21st March 2017 stating therein that, save and except as stated below, it appears that the Scheme is not prejudicial to the interest of shareholders and public. In paragraph IV of the said Report, it is stated that:

- (a) *In addition to compliance of As-14 (IND AS-103) the Transferee Company shall pass such accounting entries which are necessary in connection with the scheme to comply with other applicable Accounting Standards such as AS-5 (IND-AS-8) etc.*
- (b) *Regarding Clause 11 of the Scheme it is submitted that the surplus if any arising out of the scheme shall be credited to capital Reserve and deficit if any arising out of the same shall be debited to Goodwill Account and will not be adjusted against Profit and Loss Account/General Reserve of the Transferor/Transferee Company.*
- (c) *As per Part-1 Definitions Clause 1.1(b) of the Scheme “the Appointed Date” means 1st April 2016 or such other date as may be directed by the Hon’ble High court of Bombay or any other competent authority. In this regard, it is submitted in terms of provisions of section 232(6) of the Companies Act, 2013 it should be 1st April, 2016;*
- (d) *As per existing practice, the Petitioner Companies are required to serve Notice for Scheme of Arrangements to the Income Tax Department for their comments. It is appears that the company vide letter 27.02.2017 has served a copy of company petition No. 153/2017 along with relevant orders etc. to IT Department. Further this office has also issued reminder letter dated 20.03.2017 to the concerned Income Tax authorities.*
- (e) *The tax implication if any arising out of the Scheme is subject to the final decision of the Income Tax Authorities. The approval of the Scheme by this Hon’ble Tribunal may not deter the Income Tax Authority to scrutinize the tax return filed by the Transferee Company after giving effect to the scheme. The decision of the Income Tax Authority is binding on the Petitioner Company.*
9. In so far as observations made in paragraph IV (a) of the Report of Regional Director is concerned, the Transferee Company through its Counsel undertakes that it shall pass such accounting entries which are necessary in connection with the scheme to comply with the other applicable Accounting Standard such as AS-5 (IND AS-8) etc.
10. In so far as observations made in paragraph IV (b) of the Report of Regional Director is concerned the Transferee company through their Counsel undertakings that surplus if any arising out of the scheme shall be credited to capital Reserve and deficit if any arising out of the same shall be debited to Goodwill Account and will not be adjusted against Profit & Loss Account/General Reserve of the Transferor/Transferee Company.
11. In so far as observations made in paragraph IV(c) of the Report of Regional Director is concerned, it is submitted that Appointed date for the Scheme is 1st April, 2016.
12. In so far as observations made in paragraph IV (d) & (e) of the Report of Regional Director is concerned, the Petitioner Companies through their Counsel submit that the Petitioner Companies undertakes to comply with all applicable provisions of the Income Tax Act and all tax issues arising out of the Scheme will be met and answered in accordance with law.
13. The observations made by the Regional Director have been explained by the Petitioner Companies in paragraphs 9 to 12 above. The clarifications and undertakings given by the Petitioner Companies are hereby accepted.
14. From the material on record, the Scheme appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public policy.
15. Since all the requisite statutory compliances have been fulfilled, Company Scheme Petition No. 153 of 2017 filed by the respective Petitioner Companies is made absolute in terms of prayer clause 13(i) of the Petition.
16. Petitioner Companies are directed to file a copy of this order along with a copy of the Scheme of Amalgamation with the concerned Registrar of Companies, electronically, along with E-

Form INC-28, in addition to the physical copy within 30 days from the date of issuance of the order by the Registry.

17. The Petitioner Companies to lodge a copy of this order and the Scheme duly certified by the Deputy Director, National Company Law Tribunal, Mumbai Bench, with the concerned Superintendent of Stamps for the purpose of adjudication of stamp duty payable, if any, on the same within 60 days from the date of receipt of the order.
18. The Petitioner Companies to pay costs of Rs. 25,000/- each to the Regional Director, Western Region, Mumbai and to the Official Liquidator, High Court Bombay.
19. Costs to be paid within four weeks from the date of receipt of order.
20. All authorities concerned to act on a certified copy of this order along with the Scheme duly certified by the Deputy Director National Company Law Tribunal Mumbai Bench.
21. Any person interested shall be at liberty to apply to the Tribunal in the above matter for any direction that may be necessary.

Sd/-

B.S.V. Prakash Kumar, Member (Judicial)

Sd/-

V. Nallasenapathy, Member (Technical)

Certified True Copy

Date of Application 03.04.2017

Number of Pages 5

Fee Paid Rs. 25

Applicant called for collection copy on 19.4.2017

Copy prepared on 19.4.2017

Copy Issued on 19.4.2017

Sd/-

Deputy Director

National Company Law Tribunal, Mumbai Bench