

**THE COMPANIES ACT, 1956
AND
THE COMPANIES ACT, 2013**

(COMPANY LIMITED BY SHARES)

**Memorandum
and
Articles of Association
of**

GREENLAM INDUSTRIES LIMITED



सत्यमेव जयते

प्रारूप 1 पंजीकरण प्रमाण-पत्र

कॉर्पोरेट पहचान संख्या : U21016AS2013PLC011624

2013 - 2014

मैं एतद्वारा सत्यापित करता हूँ कि मैसर्स

GREENLAM INDUSTRIES LIMITED

का पंजीकरण, कम्पनी अधिनियम 1956 (1956 का 1) के अंतर्गत आज किया जाता है और यह कम्पनी लिमिटेड है।

यह निगमन-पत्र आज दिनांक बारह अगस्त दो हजार तेरह को शिलांग में जारी किया जाता है।

Form 1 Certificate of Incorporation

Corporate Identity Number : U21016AS2013PLC011624

2013 - 2014

I hereby certify that GREENLAM INDUSTRIES LIMITED is this day incorporated under the Companies Act, 1956 (No. 1 of 1956) and that the company is limited.

Given at Shillong this Twelfth day of August Two Thousand Thirteen.

Registrar of Companies, Assam, Tripura, Manipur, Nagaland, Meghalaya, Arunachal Pradesh and
Mizoram

कम्पनी रजिस्ट्रार, असाम, त्रिपुरा, मणिपूर, नागालैंड, मेघालय, अरुणाचल प्रदेश, मिजौराम

*Note: The corresponding form has been approved by PRIM SINGH SYIEM, Registrar of Companies and this certificate has been digitally signed by the Registrar through a system generated digital signature under rule 5(2) of the Companies (Electronic Filing and Authentication of Documents) Rules, 2006.

The digitally signed certificate can be verified at the Ministry website (www.mca.gov.in)

कम्पनी रजिस्ट्रार के कार्यालय अभिलेख में उपलब्ध पत्राचार का पता :

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

GREENLAM INDUSTRIES LIMITED

MAKUM ROAD, TINSUKIA - 786125,

Assam, INDIA





सत्यमेव जयते

व्यापार प्रारंभ करने का प्रमाण-पत्र
कम्पनी अधिनियम 1956 की धारा 149(3) के अनुसरण में

कॉर्पोरेट पहचान संख्या : U21016AS2013PLC011624

मैं एतद्वारा सत्यापित करता हूँ कि मैसर्स
GREENLAM INDUSTRIES LIMITED

जिसका निगमन, कम्पनी अधिनियम, 1956(1956 का 1) के अंतर्गत दिनांक बारह अगस्त दो हजार तेरह को किया गया था और जिसने निर्धारित प्रपत्र में घोषणा प्रस्तुत की है या विधिवत सत्यापित किया है कि उक्त कम्पनी ने, अधिनियम की धारा 149(2) (क) से (ग) तक की शर्तों का अनुपालन कर लिया है और व्यापार करने के लिए हकदार है।

यह प्रमाण-पत्र आज दिनांक सोलह अगस्त दो हजार तेरह को शिलांग में जारी किया जाता है।

Certificate for Commencement of Business

Pursuant of Section 149(3) of the Companies Act, 1956

Corporate Identity Number : U21016AS2013PLC011624

I hereby certify that the GREENLAM INDUSTRIES LIMITED which was incorporated under the Companies Act, 1956(No. 1 of 1956) on the Twelfth day of August Two Thousand Thirteen, and which has this day filed or duly verified declaration in the prescribed form that the conditions of the Section 149(2)(a) to (c) of the said act, have been complied with and is entitled to commence business.

Given at Shillong this Sixteenth day of August Two Thousand Thirteen.

Registrar of Companies, Assam, Tripura, Manipur, Nagaland, Meghalaya, Arunachal Pradesh
and Mizoram

*Note: The corresponding form has been approved by PRIM SINGH SYIEM, Registrar of Companies and this certificate has been digitally signed by the Registrar through a system generated digital signature under rule 5(2) of the Companies (Electronic Filing and Authentication of Documents) Rules, 2006.
The digitally signed certificate can be verified at the Ministry website (www.mca.gov.in).

कम्पनी रजिस्ट्रार के कार्यालय अभिलेख में उपलब्ध पत्राचार का पता :
Mailing Address as per record available in Registrar of Companies office:

GREENLAM INDUSTRIES LIMITED
MAKUM ROAD, TINSUKIA - 786125,
Assam, INDIA





सत्यमेव जयते

GOVERNMENT OF INDIA

MINISTRY OF CORPORATE AFFAIRS

Registrar of companies, Shillong

Morello Building, Ground Floor Kachari Road, Shillong, Meghalaya, India, 793001

Corporate Identity Number: L21016AS2013PLC011624

SECTION 13(1) OF THE COMPANIES ACT, 2013

Certificate of Registration of the Special Resolution Confirming Alteration of Object Clause(s)

The shareholders of M/s GREENLAM INDUSTRIES LIMITED having passed Special Resolution in the Annual/Extra Ordinary General Meeting held on 28-08-2018 altered the provisions of its Memorandum of Association with respect to its objects and complied with the Section 13(1) of the Companies Act, 2013.

I hereby certify that the said Special Resolution together with the copy of the Memorandum of Association as altered has this day been registered.

Given under my hand at Shillong this Sixth day of September Two thousand eighteen.



RAMESH KUMAR

Registrar of Companies

RoC - Shillong

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

GREENLAM INDUSTRIES LIMITED

MAKUM ROAD, TINSUKIA, Tinsukia, Assam, India, 786125





सत्यमेव जयते

GOVERNMENT OF INDIA

MINISTRY OF CORPORATE AFFAIRS

Office of the Registrar of Companies

4th Floor, IFCI Tower 61, New Delhi, Delhi, India, 110019

Corporate Identity Number: L21016DL2013PLC386045

SECTION 13(5) OF THE COMPANIES ACT, 2013

Certificate of Registration of Regional Director order for Change of State

M/s GREENLAM INDUSTRIES 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 Assam to the Delhi and such alteration having been confirmed by an order of Regional Director bearing the date 08/07/2021.

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

Given under my hand at New Delhi this Third day of September Two thousand twenty-one.



KAMNA SHARMA

DROC

Registrar of Companies

RoC - Delhi

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

GREENLAM INDUSTRIES LIMITED

203, 2nd Floor, West Wing, Worldmark 1,, Aerocity, IGI Airport, Hospitality
District,, New Delhi, South West Delhi, Delhi, India, 110037



THE COMPANIES ACT, 2013

COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

OF

GREENLAM INDUSTRIES LIMITED

- I. The name of the Company is **GREENLAM INDUSTRIES LIMITED.**
- II. #The Registered Office of the Company will be situated in the National Capital Territory of Delhi.
- III. The objects for which the Company is established are as following:
 - A. ***THE OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE:**
 1. *To carry on business as manufacturers, traders, exporters, importers, dealers, wholesalers, retailers, service providers including installers, commission agents, of laminates of all sizes and descriptions, veneers, pre-laminated board, decorative laminates, decorative laminated sheets, high pressure laminates, post forming laminates, decorative veneers, ready to install doors, door sets, fire rated doors, Veneered Engineering Flooring and flooring of all kinds and descriptions and Particle Board of all kinds and descriptions and other paper based, wood based and plastic based products of all kinds and descriptions and industrial laminated sheets, compact laminates of every descriptions, post formed panels, whether laminated or not, restroom cubicles, lockers and every type of partition systems and to act as decorators and manufacturers and deal in housing furniture and fittings, interior decorators, commercial and industrial furniture and fittings and implements and tools of all descriptions and provide consultancy in total interior and exterior decoration and furniture solution.

*Amended vide Special Resolution passed at the Annual General Meeting of the Company held on August 28, 2018.

Amended vide Special Resolution passed by the members of the Company through Postal Ballot on March 12, 2021 and approved by the Order of the Regional Director, North Eastern Region dated July 08, 2021. The change in the place of the Registered Office has become effective from August 27, 2021.

B. †MATTERS WHICH ARE NECESSARY FOR FURTHERANCE OF THE OBJECTS SPECIFIED IN CLAUSE III (A) ARE:

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|---|-----|---|
| <i>Construct and superintend buildings offices structures</i> | 1. | To purchase, acquire, build, construct alter, maintain, enlarge, equip, pull-down, remove or replace and * manage and control any buildings, offices, factories, mills, laboratories, shops, machinery equipments, apparatus, engines, roadways, trolley ways, reservoirs, water-courses, electric works and other works and conveniences, which may seem calculated directly or indirectly to advance the main objects of the Company, and to join with any other person or body corporate in doing of these things. |
| <i>Import and purchase of machinery</i> | 2. | To import and purchase any machinery, instrument, apparatus, equipments, materials, articles and stores and to do all things for attaining the main objects of the company. |
| <i>Purchase, lease, exchange, of property etc.</i> | 3. | To purchase, take on lease, or tenancy or exchange, hire, take options over or otherwise acquire for any estate or interest whatsoever and to hold, develop, plan, improve, work, cultivate and turn to account concessions, grants, decrees, licenses, privileges, claims, options, Leases, property, real or personal, or rights of powers of any kind which may appear to be necessary or convenient for attaining the main objects of the Company and to purchase, charter, hire, build or otherwise acquire crafts, cars, vans or vehicles of any description and to employ the same in the business of the company. |
| <i>Technical information and know-how</i> | 4. | To acquire from any person, firm, body corporate or others whether in India or elsewhere, technical information, know-how processes, patents, designs, engineering and operating data, plants, layouts and blue prints useful for the design, erection and operation of plants, machineries, apparatus or marketing of its products required for attaining the main objects of the company and to acquire any grant or licence and other rights and benefits in connection therewith. |
| <i>Payment of Salaries & Gratuities</i> | 5. | To grant allowances, salaries, gratuities, pensions and bonuses to employees of the Company or dependents of such persons, and to support and to subscribe to any charitable or other institutions, and to create and subscribe to any Provident or Benefit Fund or any Insurers for the employees of the Company or of any subsidiary or associate Company. |
| <i>Disposal of undertaking and property of company</i> | 6. | To sell, exchange, mortgage, let on lease, 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 the undertaking, property, assets, rights and effects of the Company for such consideration as may be thought fit and in particular for stocks, shares, whether fully or partly paid-up, or securities of any other Company. |
| <i>Payment for property and services</i> | 7. | To pay for any rights or property 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 or securities of the company as paid up in full or in part or otherwise. |
| <i>Advance deposits and loans</i> | 8. | To lend and advance money, out of surplus fund of the Company not immediately required, either with or without security and give credit to any person and upon such terms and conditions as the Company may think fit but not amounting to Banking business as defined under the Banking Regulation Act, 1949. |
| <i>Commercial obligations</i> | 9. | To undertake financial and commercial obligations, transactions and operation for achievement of the main objects of the company. |
| <i>Guarantee and surety</i> | 10. | To guarantee the performance of any contract or obligation of and the payment of money unsecured or secured and interest on, any debentures, debenture stock or securities of any company, corporation, Firm or Person when the guarantee may be considered likely, directly or indirectly, to further the main objects of the company and also to provide corporate guarantee and security to banks or financial institutions or others in respect of loans or credit facility availed by subsidiary or associate or joint venture companies. |

†Amended vide Special Resolution passed at the Annual General Meeting of the Company held on August 28, 2018.

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| <i>Investment</i> | 11. | To invest and deal with the funds of the Company not immediately required in such investments in such manner including investment in shares, securities, mutual funds or debt instruments as may be thought proper and to deal with shares and securities otherwise. |
| <i>Borrowing</i> | 12. | Subject to the provisions of law in force and the rules framed thereunder and directives issued by Reserve Bank of India for the time being, to receive money on loan, accept deposits and borrow or raise money in such manner as the Company shall think fit, and in particular by the issue of debentures or debenture stock perpetual or otherwise and to secure the payment of any money borrowed, raised or owing by mortgage, charge or lien upon all or any of the property or assets, of the company (both present and future), including its uncalled capital, and also by a similar mortgage charge or lien to secure and guarantee the performance by the Company or any other person or Company as the case may be but not amounting to Banking business as defined under the Banking Regulation Act, 1949. |
| <i>Negotiable instrument</i> | 13. | To open bank account and to draw, make, accept, endorse, discount, negotiate, execute and issue bills of exchange, promissory notes, bills of lading, warrants and other negotiable or transferable instruments or securities. |
| <i>Patents etc.</i> | 14. | To apply for purchase or otherwise acquire, transfer, and renew in any part of the world, any patents, patent rights, invention, trade mark, copy rights, designs, brevets, licenses, protections, concessions and the like conferring an exclusive or non-exclusive or limited rights to their use or any secret or other information as to any invention, process or privilege which may seem capable or being used for any of the purpose of the company or the acquisition of which may seem calculated directly or indirectly to benefit the Company and to use, exercise, develop, grant licenses or privileges in respect of or otherwise turn to account the property, rights and information acquired. |
| <i>Improvement of patents and other rights</i> | 15. | To expend money in experimenting on and testing and in Improving or seeking to improve any patents, rights, invention, discoveries, process or information of the company or which the company may acquire or propose to acquire, |
| <i>Research laboratories colleges and provision of lectures</i> | 16. | To establish, provide, maintain and conduct research and other laboratories, framing colleges, schools and other institutions for the training, education and instruction of students and others who may desire to avail themselves of the same and to provide for the delivery and holding of lectures, demonstrations, exhibitions classes, meetings and conferences in connections therewith. |
| <i>Acquire and undertake business</i> | 17. | To acquire, takeover and undertake any part of business, property, assets and liabilities of any person or company carrying on or proposing to carry on any business which this Company is authorised to carry on or possession of movable or immovable property suitable for the purposes of the company or which can be carried on in conjunction therewith or which is capable of being conducted so as directly or indirectly to benefit the Company in India or elsewhere, pursuant to any scheme of arrangement or otherwise. |
| <i>Registration of company outside India</i> | 18. | To procure the registration or recognition of the Company in or under the laws of any place outside India and to open or establish agencies, branches and offices of the Company at any place whether in India or outside India to transact and manage the affairs of the company and to appoint manager, administrator or office bearers and to remunerate them. |
| <i>Promotion</i> | 19. | To form, incorporate, acquire, manage, take over or promote any company or business, whether in India or outside having amongst its or their objects the acquisition of all or any of the assets or control or development of the Company or any other objects which in the opinion of the Company could or might directly or indirectly assist the company in the development or carrying out of its business activities or otherwise prove advantageous to the Company and to pay all of the costs and expense 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 including any services incurred for incorporation of this company and conduct of its business and reimbursement of various expenses. |

- Amalgamation and Partnership*
20. Subject to the provisions of the Companies Act, 2013[‡] and other applicable laws to amalgamate, merge or to enter into partnership or into any arrangement for sharing profits, de-merger of undertaking, union of interests, co-operation, joint venture or reciprocal concession with any person, firm, corporation or company in or outside India carrying on or engaged in any business or transaction which the Company is authorized or engaged in or which can be carried on in conjunction with the business or transaction which the Company is authorised to carry on or engage in or which can be carried on in conjunction therewith or which is capable of being conducted so as directly or indirectly to benefit the Company and further to enter into any arrangement or contracts with any person, association or body corporate or government or local authorities whether in India or outside for such purposes that may be beneficial or conducive to the objects of the Company.
- Government and other concessions and to promote and oppose legislation*
21. To enter into any arrangements and to take all necessary or proper steps with government or with other authorities supreme, national, local, municipal or otherwise of any place in which the Company may have interest and to carry on any negotiations or operations for the purpose directly or indirectly carrying out the objects of the Company or effecting any modification in the constitution of the Company or furthering the interest of its members and to oppose any such steps taken by any other company, firm or person which may be considered likely directly or indirectly to prejudice the interests of the Company or its members, promoter and to promote or assist the promotion, whether directly or indirectly, of any legislation which may appear to be in the interest of the Company and to oppose and resist whether directly or indirectly any legislation which may seem disadvantageous to the Company to obtain from any such government authority or any company by lawful means any charters, contracts, decrees, rights, grant, loans, privileges or concessions which the company may think fit desirable to obtain and carry out, exercise and comply with any such arrangement, charter, decree, right, privilege or concessions.
- Publicity*
22. To adopt such means of making known the products of the Company as may seem expedient and in particular by advertising in the press or any other media by purchase, exhibition or reproduction of works of arts or interest, by publication of books, pictures, and periodicals and by granting prizes, award and donations, or in such other manner as the Company may deem desirable.
- Trusts*
23. To undertake and execute any trust the undertaking of which may seem to the Company desirable and either gratuitously, or otherwise and vest any real or personal property, rights or interests acquired by or belonging to the Company in any person or Company on behalf of or for the benefit of the Company and without any declared Trust in favour of the Company.
- Establishment of association connected with company or for benefits of employees of company*
24. To apply the assets of the Company in any way in or towards the establishment, maintenance or extension, of any association, institution or fund in anyway connected with any particular trade or business or with trade or commerce generally and particularly with the trade, including an association, institution or fund for the protection of the interest of masters, owners and employees against loss by bad debts, strikes combinations, fire, accidents otherwise or (or the benefit of any clerks, workman or others at any time employed by the Company or any of its predecessors in business or their families of dependents and whether or not in common with other persons or classes of persons and in particular or friendly, co-operative and their societies, reading rooms, libraries, educational and charitable institutions, refectories dining and recreation rooms, churches, chapels, temples, schools and hospitals and to grant gratuities, pensions and allowances and to contribute to any funds raised by public or local subscription for any purpose whatsoever.
- Aid to labour and other industrial association*
25. To aid, pecuniarily or otherwise any association, body or movement having an object the solution, settlement, or surmounting of industrial or labour problems or troubles or the promotion to industry or trade.
- Donation*
26. Subject to the provisions of the Companies Act, 2013[‡], to subscribe or guarantee money for any national, charitable, benevolent, public, general or useful object or for any exhibitions subject of the compliance of Central and State laws.

[‡] Amended vide Special Resolution passed at the Annual General Meeting of the Company held on August 28, 2018.

- Provident Fund Institutions*
27. 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 of emoluments to any persons who is or was at any time in the employment or service of the company, or of any Company which is a subsidiary of the Company or is allied to or associated with the Company or with any such subsidiary Company, or who are or were at any time directors or officers of the Company or for any such other Company as aforesaid, and the wives, widows, families and dependents, or any such persons, and also establish and subsidize and subscribe to any institutions, associations or clubs considered 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 or any such person as aforesaid and do any of the matter aforesaid either alone or in combination with any such other Company as aforesaid subject to the compliance of Central and state laws.
- Distribution in Specie*
28. Subject to the provisions of any law for the time being in force distribute amongst 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,
- Programmes for rural development, social and economical welfare*
29. To undertake, carry out promote and sponsor rural development including programme for promoting the social and economic welfare of or the upliftment of the people in any rural area and to include any expenditure or/ any programme of rural development and to assist in the execution and promotion (hereof either directly or through an independent agency or in any other manner. Without prejudice to the generality of the foregoing, "Programme of rural development" shall also include any programme for promotion of the social and economic welfare of or the upliftment of the people in any rural area which the directors consider it likely to promote and assist rural development and that the words "rural area" shall include such area as may be regarded as rural areas under the Income Tax Act 1961 or any other law relating to rural development for the time being in force or as may be regarded by the directors as rural areas and the director may at their discretion, in order to implement any of the above mentioned objects or purposes, transfer without consideration or at such fair or concessional value as the directors may think fit and divert the ownership of any property of the company to or in favour of any public or local body or Authority or Central or State Government or any Public Institution or Trust or Funds as the Directors may approve.
- Promotion and growth of national economy etc.*
30. To undertake, carry out. promote and sponsor or assist any activity for the promotion and growth of the national economy and for discharging what the Director consider to be social and moral responsibilities of the company to the public or any section of the public and also any activity which the Directors consider likely to promote national welfare or social economic or moral upliftment of the people or any section of the people and in such manner and by such meant as the Directors may think fit and directors may without prejudice to the generality of the foregoing, undertake, carry out, promote and sponsor any activity for publication of any books, literature, newspaper etc. or for organising lectures or seminars likely to advance these objects or for giving merit awards, scholarship, loans or any other assistance to deserving students or other scholars or persons to enable them to pursue their studies for academic pursuits or researches and for establishing conducting or assisting any institution, fund, trust etc. having any one of the aforesaid objects or purposes transfer without consideration or at such fair or concessional value as the directors may think fit and divert the ownership of any property of the company to or in favour of any Public or Local Body or Authority or Central or State Government or any Public Institutions or Trust or Fund as the Directors may approve.
- Plantation and Cultivation*
- 30A.[§] To cultivate, grow, plant, produce or raise all kinds of agricultural crops, vegetables, food grains, tea, coffee, rubber and other produce and to purchase, sell, import, export, manufacture, produce or otherwise deal in all kinds of agricultural products, vegetables, fruits, food grains, tea, coffee, rubber and other products.
- To do all things incidental*
31. To buy, sell, purchase, repair, alter, improve, exchange, let out on hire import, export and deal in all factories, works, plant, machinery, tools, appliances, apparatus, products, materials, substances, articles and things capable of being used in any business which this Company is competent to carry or which may seem capable of being profitable to deal with in connection therewith and to, experiment with, render marketable and deal in all products or residual and by-products incidental or to obtained in any of the business carried on by the Company and to do all such other things as may be deemed incidental or conducive to the attainment of the main objects of the Company or any of them and also to carry on the business of manufacturer, fabricators, importer, exporter, in phenol, formaldehyde, melamine and other synthetic chemicals and other raw materials, by-products, joint products and to carry out all such activities relating to forward and back ward integration of its of final product, raw material, by-products and joint products and allied products.

[§] Inserted vide Special Resolution passed at the Annual General Meeting of the Company held on August 28, 2018.

**(*)

- IV. ††The liability of the member(s) is limited and this liability is limited to the amount unpaid, if any, on the shares held by them.
- V. &The Authorized Share Capital of the Company shall be **Rs. 15,00,00,000/-** (Rupees Fifteen Crore Only) divided into **15,00,00,000** (Fifteen Crore) Equity Shares of Re. **1/-** (Rupees One Only) each with the right, privileges and conditions attached thereto as are provided by the Regulations of the Company for the time being, with the power to increase and reduce the capital of the Company and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential rights, privileges or conditions as may be determined by or in accordance with the Regulations of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the Regulations of the Company.

Clause V of the Memorandum of Association of the Company as to Share Capital was amended vide ordinary resolution passed by the shareholders of the Company at the Annual General Meeting held on 30.10.2014 wherein the Authorised Share Capital of the Company was increased from Rs.1,00,00,000/- (Rupees One Crore only) divided into 20,00,000 (Twenty Lakh) equity shares of Rs. 5/- (Rupees Five only) each to Rs.15,00,00,000/- (Rupees Fifteen Crore only) divided into 3,00,00,000 (Three Crore) equity shares of Rs. 5/- (Rupees Five only) each.

** Part C of Clause III has been deleted along with all the objects mentioned thereunder except for point 3 which has been shifted in Clause III (B) as point 30A vide Special Resolution passed at the Annual General Meeting of the Company held on August 28, 2018.

†† Amended vide Special Resolution passed at the Annual General Meeting of the Company held on August 28, 2018.

& Clause V of the Memorandum of Association of the Company as to Share Capital has been amended vide ordinary resolution passed by the shareholders of the Company through Postal Ballot on January 28, 2022 wherein the Authorised Share Capital of the Company has been altered from Rs. 15,00,00,000 (Rupees Fifteen Crore Only) divided into 3,00,00,000 (Three Crores) Equity shares of Rs. 5/- (Rupees Five Only) each to Rs. 15,00,00,000 (Rupees Fifteen Crore Only) divided into 15,00,00,000 (Fifteen Crore) Equity Shares of Re. 1 (Rupee One Only) each.

We, the several persons whose names and addresses are subscribed below, 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 to our respective names :-

Name, Father's Name, Address and Occupation of Subscribers	No of shares taken by each Subscribers	Signature of the Subscribers	Name, Father's Name, Address and Occupation of the Witness
GREENPLY INDUSTRIES LTD. Director - Shiv Prakash Mittal Makum Road, Tinsukia Assam - 786 125	99,994 (Ninety Nine Thousand Nine Hundred Ninety Four) Equity Shares	Sd/- Shiv Prakash Mittal	<p>Witness to all the signatories Sd/- NAVEEN KUMAR DHANDARIA S/o. Dindayal Dhandaria C/o. D. DHANDARIA & COMPANY Thana Road, Tinsukia-786125 (Assam) Chartered Accountant in practice ICAI Membership No. : 061127</p>
SHIV PRAKASH MITTAL S/o. Late Sanwormal Palriwal R/o. Flat No. 2 NW, 5 Queens Park Kolkata - 700 019 Occupation - Business	1 (One) Equity Share	Sd/- Shiv Prakash Mittal	
SANTOSH MITTAL D/o. Late Biswanath Modi R/o. Flat No. 2 NW, 5 Queens Park Kolkata - 700 019 Occupation - Business	1 (One) Equity Share	Sd/- Santosh Mittal	
RAJESH MITTAL S/o. Late Sanwormal Palriwal R/o. 13, Raja Santosh Road Kolkata - 700 027 Occupation - Business	1 (One) Equity Share	Sd/- Rajesh Mittal	
SHOBHAN MITTAL S/o. Sri Shiv Prakash Mittal R/o. 4 Cherry Lane, DLF Chattarpur Farms Mehrauli, New Delhi - 110 074 Occupation - Business	1 (One) Equity Share	Sd/- Shobhan Mittal	
SAURABH MITTAL S/o. Sri Shiv Prakash Mittal R/o. 66, Anand Lok Khel Gaon Road New Delhi - 110 049 Occupation - Business	1 (One) Equity Share	Sd/- Saurabh Mittal	
PARUL MITTAL D/o. Sri Indraj Singh R/o. 66, Anand Lok Khel Gaon Road New Delhi - 110 049 Occupation - Service	1 (One) Equity Share	Sd/- Parul Mittal	
Total number of shares taken	1,00,000 (One Lakh) Equity Shares		

Tinsukia, Assam, dated the 2nd day of August, 2013.

THE COMPANIES ACT, 2013

COMPANY LIMITED BY SHARES

(Incorporated under the Companies Act, 1956)

ARTICLES OF ASSOCIATION

OF

GREENLAM INDUSTRIES LIMITED

The following regulations comprised in these Articles of Associations were adopted pursuant to members' resolution passed at the annual general meeting of the Company held on 30th October, 2014 in substitution for, and to the entire exclusion of, the earlier regulations comprised in the extant Articles of Associations of the Company except for Article 127 which has been re-numbered as Article 174.

The regulations contained in table "F" of the first Schedule to the Companies Act, 2013 shall not apply to the Company, except in so far as they are embodied in the following Articles, which shall be the regulations for the management of the Company.

1. Interpretations:

1.1 In the interpretation of these Articles, unless repugnant to the subject or context:

Act	Means the Companies Act, 2013 or any other statutory modification(s) or re-enactment(s) thereof for the time being in force.
Annual General Meeting	Means a general meeting of the members held in accordance with the provisions of Section 96 of the Act or any adjourned meeting thereof.
Auditors	Means and include those persons appointed as such for the time being by the Company or, where so permitted by Applicable Law, by its Board.
Applicable Law	Means the Act, and as appropriate, includes any statute, law, listing agreement, regulation, ordinance, rule, judgment, order, decree, bye-law, clearance, directive, guideline, policy, requirement, notifications and clarifications or other governmental instruction or any similar form of decision of, or determination by, or any interpretation or administration having the force of law of any of the foregoing, by any governmental authority having jurisdiction over the matter in

question, or mandatory standards as may be applicable from time to time.

Beneficial Owner	Means and include beneficial owner as defined in clause (a) sub-Section (1) of Section 2 of the Depositories Act, 1996 or such other Act as may be applicable.
Board Meeting	Means a meeting of the Directors or a committee thereof duly called and constituted.
Board or Board of Directors	Means the collective body of directors of the Company.
Capital	Means the share capital for the time being raised or authorised to be raised, for the purpose of the Company.
Chairperson	Shall mean the Person who acts as a chairperson of the Board of the Company.
Committee	Means any committee of the Board of Directors of the Company formed as per the requirements of Act or for any other purpose as the Board may deem fit
Company or This Company	Means Greenlam Industries Limited.
Debenture	Includes debenture-stock, bonds and any other debt securities of the Company, whether constituting a charge on the assets of the Company or not.
Depositories Act	Shall mean the Depositories Act, 1996 and includes any statutory modification or enactment thereof
Depository	Shall mean a depository as defined in clause (e) sub-section (1) of section 2 of the Depositories Act, 1996 and includes a company formed and registered under the Companies Act, 1956 which has been granted a certificate of registration under sub Section (1A) of section 12 of the Securities and Exchange Board of India Act, 1992.
Director	Means the director of the Company for the time being, appointed as such.

Dividend	Includes interim dividend.
Extraordinary General Meeting	Means an extraordinary general meeting of the Members duly called and constituted and any adjourned meeting thereof.
Electronic Mode	<p>Means carrying out electronically based, whether main server is installed in India or not, including, but not limited to:</p> <ul style="list-style-type: none"> i. business to business and business to consumer transactions, data interchange and other digital supply transactions; ii. offering to accept deposits or inviting deposits or accepting deposits or subscriptions in securities, in India or from citizens of India; iii. financial settlements, web based marketing, advisory and transactional services, database services and products, supply chain management; iv. online services such as telemarketing, telecommuting, telemedicine, education and information research; and all related data communication services v. whether conducted by e-mail, mobile devices, social media, cloud computing, document management, voice or data transmission or otherwise vi. video conferencing , audio- visual methods, net conferencing and/or any other electronic communication.
In writing or written	Means and include printing, typing, lithographing, computer mode and other modes of representing or reproducing words in visible form
Independent Director	Means a Director fulfilling the criteria of independence and duly appointed as per Applicable Law.
Key Managerial Personnel	Means such persons as defined in Applicable Law
Managing Director	Means a Director who, by virtue of the articles of the Company or an agreement with the Company or a resolution passed in its General Meeting, or by its Board of Directors, is entrusted with substantial powers of management of the affairs of the Company and includes a Director occupying the position of managing director, by whatever name called.

Meeting or General Meeting	Means a meeting of Members.
Members	As defined under Section 2 (55) of the Act.
Month	Means a calendar month.
Office	Means the registered office of the Company.
Ordinary Resolution	Means a resolution referred to in Section 114 of the Act.
Persons	Includes any artificial juridical person, corporations or such other entities as are entitled to hold property in their own name.
Postal Ballot	Means voting by post through postal papers distributed amongst eligible voters and shall include voting by Electronic Mode or any other mode as permitted under Applicable Law.
Register of Beneficial Owners	Means the register of members in case of shares held with a Depository in any media as may be permitted by law, including in any form of Electronic Mode.
Register of Members	Means the register of Members, including any foreign register which the Company may maintain pursuant to the Act and includes Register of Beneficial Owners.
Registrar	Means the Registrar of Companies of the state in which the Office of the Company is for the time being situated.
Seal	Means the common seal of the Company.
Section	Means the relevant section of the Act; and shall, in case of any modification or re-enactment of the Act shall be deemed to refer to any corresponding provision of the Act as so modified or reenacted.
Security	Means Shares, Debentures and/or such other securities as may be treated as securities under Applicable Law.
Shares	Means the shares into which the Capital of the Company is

divided whether held in tangible or fungible form.

Special
Resolution Means a resolution referred to in Section 114 of the Act.

These
Presents Means the Articles of Association of the Company.

1.2 Term(s) and phrase(s) not specifically defined in these Articles shall bear the same meaning as assigned to the same in the Act or the rules framed thereunder.

1.3 Words importing the singular number include, where the context admits or requires, the plural number and vice versa.

1.4 Words importing the masculine gender only include the feminine gender and vice versa.

ARTICLES TO BE CONTEMPORARY IN NATURE

2. The intention of these Articles is to be in consonance with the contemporary rules and regulations prevailing in India. If there is an amendment in any Act, rules and regulations allowing what were not previously allowed under the statute, the Articles herein shall be deemed to have been amended to the extent that Articles will not be capable of restricting what has been allowed by the Act by virtue of an amendment subsequent to registration of the Articles.

SHARE CAPITAL, INCREASE AND REDUCTION OF CAPITAL

Amount of Capital

3. The authorized share capital of the Company shall be the Capital as specified in Clause V of the memorandum of association, with power to increase and reduce the Capital of the Company and to divide the Shares in the Capital for the time being into several classes as permissible in Applicable Law and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by the Board, and to vary, modify, amalgamate or abrogate any such rights, privileges or conditions.

Increase of Capital by the Company and how carried in to effect

4. Subject to Applicable Law, the Board may, from time to time, increase the Capital by the creation of new Shares. Such increase shall be of such aggregate amount and to be divided into such Shares of such respective amounts, as the resolution of the Board shall prescribe. Subject to the provisions of the Act, any Shares of the original or increased Capital shall be issued upon such terms and conditions and with such rights and privileges annexed thereto, as the Board shall determine, and in particular, such shares may be issued with a preferential or qualified right to dividends, or otherwise, or with a right to participate in some profits or assets of the Company, or with such differential or qualified right of voting at General Meetings of the Company, as permitted in terms of Section 47 of the Act or other Applicable Law. Whenever the Capital of the Company has been increased under the provisions of this Article, the

Directors shall comply with the provisions of Section 64 of the Act or any such compliance as may be required by the Act for the time being in force.

New Capital part of the existing Capital

5. Except in so far as otherwise provided in the conditions of issue of Shares, any Capital raised by the creation of new Shares shall be considered as part of the existing Capital, and shall be subject to provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.

Issue of redeemable preference shares

6. Subject to the provisions of Section 55 of the Act and other Applicable Law, preference shares may be issued from time to time, on the terms as may be decided at the time of the issue. Further,
 - 6.1. Such preference shares shall always rank in priority with respect to payment of Dividend or repayment of Capital vis-à-vis equity shares;
 - 6.2. The Board may decide on the participation of preference shareholders in the surplus Dividend, type of preference shares issued whether cumulative or otherwise, conversion terms into equity if any;
 - 6.3. The Board may decide on any premium on the issue or redemption of preference shares.
7. ***Provisions applicable to other Securities:*** The Board shall be entitled to issue, from time to time, subject to Applicable Law, any other Securities, including Securities convertible into Shares, exchangeable into Shares, or carrying a warrant, with or without any attached Securities, carrying such terms as to coupon, returns, repayment, servicing, as may be decided by the terms of such issue. Such Securities may be issued at premium or discount, and redeemed at premium or discount, as may be determined by the terms of the issuance: Provided that the Company shall not issue any Shares or Securities convertible into Shares at a discount.

Reduction of Capital

8. The Company may (subject to the provisions of Sections 52, 55, 66, of the Act or any other applicable provisions of law for the time being in force) from time to time by way of Special Resolution reduce its Capital, any capital redemption reserve account or share premium account in any manner for the time being authorized by law.

Sub-division, consolidation and cancellation of Shares

9. Subject to the provisions of Section 61 of the Act, the Company in General Meeting may from time to time (a) consolidate its Shares into shares of a larger amount than the existing Shares, or any class of them, and (b) sub-divide its existing Shares or any of them into Shares of smaller amount than is fixed by the memorandum of association and the resolution whereby any Share is sub-divided, or classified, may determine that, as between the holders of the Shares resulting from such sub-division or classification, one or more of such Shares shall have some preference or special advantage as regards Dividend, Capital or otherwise over or as compared with the other.

Provided however, that in the subdivision 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.

Subject as aforesaid, the Company in General Meeting may also cancel Shares which 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.

Modification of rights

10. Whenever the Capital is divided into different types or classes of Shares, all or any of the rights and privileges attached to each type or class may, subject to the provisions of Sections 48 of the Act, be varied with the consent in writing by holders of at least three-fourths of the issued Shares of the class or is confirmed by a Special Resolution passed at a separate Meeting of the holders of Shares of that class and all the provisions hereinafter contained as to General Meetings shall *mutatis mutandis* apply to every such class Meeting, but so that the quorum thereof shall be any two members present in person. This Article is not to derogate any power the Company would have if the clause were omitted.

Further issue of Capital

11. Where at any time it is proposed to increase the subscribed Capital of the Company by allotment of further Shares, then:
 - 11.1. Such further Shares shall be offered to the persons who on 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 those shares at the date.
 - 11.2. Such offer shall be made by a notice specifying the number of shares offered and limiting the time as per the applicable provisions of the Act and subject to the Applicable Law from time to time and the offer if not accepted within that time limit, will be deemed to have been declined.
 - 11.3. 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 referred above shall contain a statement of this right.
 - 11.4. After the expiry of the time specified in the aforesaid notice or on receipt of earlier intimation from the person to whom 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 interest of the Company.
12. Notwithstanding anything contained in the Article no. 11 the further Shares aforesaid may be offered in any manner whatsoever, to:
 - 12.1. employees under a scheme of employees' stock option scheme

- 12.2. to any persons on private placement or on preferential basis, whether or not those persons include the persons referred to Article no. 11, either for cash or for a consideration other than cash, if so decided by a Special Resolution, as per Applicable Law.
13. Nothing in Article no. 12.2 hereof shall be deemed;
 - 13.1. To extend the time within which the offer should be accepted; or
 - 13.2. To authorise any person to exercise the right of renunciation for a second time, on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.
14. Nothing in this Article shall apply to the increase of the subscribed Capital of the Company:
 - 14.1. caused by the exercise of an option attached to the Debenture issued by the Company to convert such Debentures or loans into shares in the Company;
 - 14.2. Provided that the terms of issue of such Debentures or the terms of such loans containing such an option have been approved before the issue of such Debentures or the raising of loan by a Special Resolution passed by the Company in General Meeting.

Shares at the disposal of the Directors

15. Subject to the provisions above, and of Section 62 of the Act, the Shares and Securities of the Company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such person, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit and to give to any person or persons the option or right to call for any Shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot Shares in the Capital of the Company or other Securities on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any Shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares. Provided that option or right to call of Shares shall not be given to any person or persons without the sanction of the Company in the General Meeting.
16. If the Company shall offer any of its Shares to the public for subscription the amount payable on application on each Share shall not be less than such amount as may be prescribed under Applicable Law.

Power to issue Shares outside India

17. Pursuant to the provisions of Section 62 and other applicable provisions, if any, of the Act, and subject to such approvals, permissions and sanctions as may be necessary from the Government of India, Reserve Bank of India and/or any other authorities or institutions as may be relevant (hereinafter collectively referred to as "Appropriate Authorities") and subject to such terms and conditions or such modifications thereto as may be prescribed by them in granting such approvals, permissions and sanctions, the Company will be entitled to issue and allot in the international capital markets, equity Shares and/or any instruments or Securities (including Global Depository Receipts) representing equity Shares, any such instruments or securities being either with or without detachable warrants attached thereto entitling the warrant holder to

Equity Shares/instruments or securities (including Global Depository Receipts) representing equity Shares, (hereinafter collectively referred to as “the Securities”, for the purpose of this Article) to be subscribed to in foreign currency / currencies by foreign investors(whether individuals and/or bodies corporate and/or institutions and whether shareholders of the Company or not) for an amount, inclusive of such premium as may be determined by the Board. Such issue and allotment to be made on such occasion or occasions, at such value or values, or at a premium and in such form and in manner and on such terms and conditions or such modifications thereto as the Board may determine in consultation with lead manager and/or underwriters and/or legal or other advisors, or as may be prescribed by the Appropriate Authorities while granting their approvals, permissions and sanctions as aforesaid which the Board be and is hereby authorized to accept at its sole discretion. The provisions of this Article shall extend to allow the Board to issue such foreign Securities, in such manner as may be permitted by Applicable Law.

Acceptance of Shares

18. Any application signed by or on behalf of an applicant, for Shares in the Company, followed by an allotment of any Share shall be an acceptance of shares within the meaning of these Articles and every person who, does or otherwise accepts Shares and whose name is on the Register of Members shall for the purpose of these Articles, be a Member.

Restriction on purchase or in giving loans by Company for purchase of its own Securities

19. Except as provided in these Articles, none of the funds of the Company shall be employed in giving, directly or indirectly, any financial assistance for the purpose of any purchase or subscription of Securities of the Company, except as permitted by Section 70 of the Act.

Private placement

20. The Board may, from time to time, offer any Securities on private placement basis, to such persons as the Board may determine, provided that such private placement shall comply with Applicable Law.

Call to be a debt payable immediately

21. The money (if any) which the Board shall, on the allotment of any Security being made by them require or direct to be paid by way of call or otherwise in respect of any Security allotted by them shall immediately on the insertion of the name of the allottee in the Register of Members as the name of the holder of such Securities, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.

Liability of Members

22. Every member, or his heirs, executors or administrators shall pay to the Company the portion of the Capital represented by his Share(s) which may, for the time being, remain unpaid thereon, in such amounts, at such time or times, and in such manner as the Board shall, from time to time in accordance with the Company’s regulations, require or fix for the payment thereof.

Shares not to be held in trust

23. Except as required by law, no person shall be recognized by the Company as holding any Share upon any trust, and the Company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any Share, or any interest in any fractional part of a Share, or (except only as by these

regulations or by law otherwise provided) any other rights in respect of any Share except an absolute right to the entirety thereof in the registered holder.

Joint Holders of Shares

24. (a) If any Share stands in the names of two or more persons, the person first named in the register shall, be entitled to delivery of the certificate relating to such Shares as well as to the receipt of dividends or bonus or service of notice and all or any earlier matter connected with the Company, except voting at meetings and the transfer of the Shares, be deemed the sole holder thereof, but the joint holders of a Share shall be severally as well as jointly liable for the payment of all installments and calls due in respect of such Shares for all incidents thereof according to the Company's regulations.

(b) On the death of any one of such joint holders, the survivor or survivors shall be the only person or persons recognized by the Company as having any title to or interest in such Share but the Directors may require such evidence of death as they may deem fit.

Register of Members and index

25. The Company shall maintain a Register of Members and index in accordance with Section 88 of the Act. The details of shares held in physical or dematerialized forms may be maintained in a media as may be permitted by law including in any form of electronic media.

26. A member, or other Security holder or Beneficial Owner may make inspection of Register of Members and annual return. Any person other than the Member or Debenture holder or Beneficial Owner of the Company shall be allowed to make inspection of the Register of Members and annual return on payment of Rs. 50 or such higher amount as permitted by Applicable Law as the Board may determine, for each inspection. Inspection may be made during business hours of the Company during such time, not being less than 2 hours on any day, as may be fixed by the company secretary from time to time.

27. Such person, as referred to in Article no. 26 above, may be allowed to make copies of the Register of Members or any other register maintained by the Company and annual return, and require a copy of any specific extract therein, on payment of Rs. 10 for each page, or such higher amount as permitted under Applicable Law.

Foreign Registers

28. The Company may also keep a foreign register in accordance with Section 88 of the Act containing the names and particulars of the Members, Debenture- holders, other Security holders or Beneficial Owners residing outside India; and the Board may (subject to the provisions of aforesaid Section) make and vary such regulations as it may think fit with respect to any such register.

SHARES CERTIFICATES

Share certificate to be numbered progressively

29. The shares certificates shall be numbered progressively according to their several denominations specify the shares to which it relates and bear the Seal of the Company. Every forfeited or surrendered share certificate shall continue to bear the number by which the same was originally distinguished.

Provided however that, the provision relating to progressive or distinctive numbering of shares shall not apply to the shares of the Company which are dematerialized or may be dematerialized in future or issued in future in dematerialized form.

Limitation of time for issue of certificates

30. Every Member, other than a Beneficial Owner, shall be entitled, without payment, to one or more certificates in marketable lots, for all the Shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as the Directors may from time to time determine) to several certificates each for one or more of such Shares and the Company shall complete and have ready for delivery of such certificates, within such time permissible under Applicable Law, from the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its Shares as the case may be. Every certificate(s) of Shares shall be under the Seal of the Company and shall specify the number and distinctive numbers of Shares in respect of which it is issued and the amount paid-up thereon, provided that in respect of Share(s) held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of such certificate of Share(s) to the person first named in the register shall be a sufficient delivery to all such holders.

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

31. If any certificate be worn out, defaced, mutilated, old/ or torn or if there be no further space on the back thereof for endorsement of transfer or in case of sub-division or consolidation then upon production and surrender such certificate to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity and the payment of out-of-pocket expenses incurred by the Company in investigating the evidence produced as the Board deems adequate, being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificate under the Article shall be issued in case of splitting or consolidation of Share certificate(s) or in replacement of Share certificate(s) that are defaced, mutilated, torn or old, decrepit or worn out without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.50 for each certificate) as the Directors shall prescribe.

Further, no duplicate certificate shall be issued in lieu of those that are lost or destroyed, without the prior consent of the Board or any Committee authorized by the Board in this regard and only on furnishing of such supporting evidence and/or indemnity as the Board or such Committee may require, and the payment of out-of-pocket expenses incurred by the Company in investigating the evidence produced, without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.50 for each certificate) as the Directors shall prescribe.

Provided further that all instruments of transfer which shall be registered shall be retained by the Company but any instrument of transfer which the Director may decline to register shall be returned to the person depositing the same.

Provided that notwithstanding what is stated above the Directors shall comply with such rules or regulation or requirements of any stock exchange or the rules made under the Act or rules made under Securities Contracts (Regulation) Act, 1956, as amended or any other Act, or rules applicable thereof in this behalf; Provided further that the Company shall comply with the

provisions of Section 46 of the Act and other Applicable Law, in respect of issue of duplicate shares.

32. The provision of this Article shall *mutatis mutandis* apply to issue of certificates of Debentures of the Company.

BUY BACK OF SECURITIES BY THE COMPANY

33. Notwithstanding anything contained in these Articles but subject to the provisions of Sections 68, 69 and 70 of the Act and Applicable Law as prescribed by Securities and Exchange Board of India (SEBI) or any other authority for the time being in force, the Company may purchase its own shares or other specified securities. The power conferred herein may be exercised by the Board, at any time and from time to time, and to the extent permitted by Applicable Law, and shall be subject to such rules, applicable consent or approval as required.

UNDERWRITING AND BROKERAGE

Commission may be paid

34. Subject to the provisions of Section 40(6) of the Act and Applicable Law made thereunder, and subject to the applicable SEBI guidelines and subject to the terms of issue of the shares or Debentures or any securities, as defined in the Securities Contract (Regulations) Act, 1956 the Company may at any time pay a commission out of proceeds of the issue or profit or both 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 underwriting or procuring or agreeing to procure subscriptions (whether absolute or conditional) for Shares, Debentures or of the Company but so that the commission shall not exceed in the case of shares, five per cent of the price at which the shares are issued, and in the case of Debentures, two and a half per cent of the price at which the Debentures are issued or at such rates as may be fixed by the Board within the overall limit prescribed under the Act or Securities and Exchange Board of India Act, 1992. Such commission may be satisfied by payment in cash or by allotment of fully or partly paid shares, securities or Debentures or partly in one way and partly in the other.

Brokerage

The Company may, subject to Applicable Law, pay a reasonable and lawful sum for brokerage to any person for subscribing or procuring subscription for any Securities.

CALL ON SHARES

Directors may make calls

35. The Board of Directors may, from time to time and subject to the terms on which Shares have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board, or otherwise as permitted by Applicable Law make such call as it thinks fit upon the members in respect of all moneys unpaid on the Shares held by them respectively, and each member shall pay the amount of every call so made on him in the manner and at the times and places appointed by the Board of Directors. A call may be made payable by installment.

Uniform conditions as to Calls, etc.

36. 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.

Notice of calls

37. Each Member shall, subject to receiving at least fourteen days' notice specifying the time or such other time as may be permitted by Applicable Law or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.
38. A call may be revoked or postponed at the discretion of the Board.

Calls to date from resolution

39. A call shall be deemed to have been made at the time when the resolution authorising such call was passed as provided herein and may be required to be paid by installments. Every such installment shall, when due, be paid to the Company by the person who for the time being shall be the registered holder of the Share or by his legal representative.

Directors may extend time

40. The Board may, from time to time at its discretion, extend the time fixed for the payment of any call, and may extend such time as to all or any of the Members the Board may deem fairly entitled to such extension, but no Member shall be entitled to such extension save as a member of grace and favour.

Calls to carry interest

41. If any Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the last day appointed for the payment thereof to the time of actual payment at such rate as the Board of Directors may determine. Nothing in this Article shall render it obligatory for the Board of Directors to demand or recover any interest from any such Member.
42. The Board shall be at liberty to waive payment of any such interest wholly or in part.

Sums deemed to be calls

43. Any sum, which may by the terms of issue of a Share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the Share or by way of premium, shall for the purposes of these Articles be deemed to be a call duly made and payable, on the date on which by the terms of issue the same becomes payable and in case of non-payment, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise, shall apply as if such sum had become payable by virtue of a call duly made and notified.

Proof on trial of suit for money due on Shares

44. At the trial or hearing of any action or suit brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the member, in respect of whose shares, the money is sought to be recovered appears entered on the Register of Members as the holder, at or subsequently to the date at which the money is sought to be recovered, is alleged to have become due on the shares in respect of such money is sought to be recovered, that the resolution making the call is duly recorded in the minute book, and that notice of such call was duly given to the member or his representatives in pursuance of these Articles and that it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made nor that the meeting at which any call was made duly convened or constituted nor any other matters whatsoever, but the proof of the matter aforesaid shall be conclusive evidence of the debt.

Partial payment not to preclude forfeiture

45. Neither 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 the payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as hereinafter provided.

Payment in anticipation of call may carry interest

46. The Directors may, if they think fit, subject to the provisions of Section 50 of the Act, agree to and receive from any Member willing to advance the whole or any part of the moneys due upon the shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate, as the Member paying such sum in advance and the Directors agree upon provided that money paid in advance of calls shall not confer a right to participate in profits or Dividend. The Directors may at any time repay the amount so advanced. The Members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable.
47. The provisions of these Articles shall *mutatis mutandis* apply to the calls on Debenture or other Securities of the Company.

LIEN

Company to have lien on shares

48. The Company shall have a first and paramount lien upon all the shares/ Debentures/Securities (other than fully paid-up shares/Debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof, for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such Shares/Debentures/Securities and no equitable interest in any Shares shall be created except upon the footing, and upon the condition that this Article will have full effect and any such lien shall extend to all dividends and bonuses 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/Debentures/Securities
49. The Directors may at any time declare any shares/ Debentures/Securities wholly or in part to be exempt from the provision of this Article. Provided that, fully paid shares shall be free from all lien and that in case of partly paid shares the Company's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares.

As to enforcing lien by sale

50. For the purpose of enforcing such lien, the Board may sell the Shares subject thereto in such manner as they shall think fit, and for that purpose may cause to be issued a duplicate certificate in respect of such Shares and may authorise one of their member to execute a transfer thereof on behalf of and in the name of such member. The purchaser of such transferred Shares shall be registered as the holder of the Shares comprised in any such transfer. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the Shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

51. No sale shall be made unless a sum in respect of which the lien exists is presently payable or until the expiration of fourteen days after a notice in writing of the intention to sell shall have been served on such member or his representatives and default shall have been made by him or them in payment, fulfillment, or discharge of such debts, liabilities or engagements for fourteen days after such notice.
52. Upon any sale after forfeiture or for enforcing a lien in exercise of the powers here in before given, the Directors may appoint some person to execute an instrument of transfer of the Shares sold and cause the purchaser's name to be entered in the register in respect of the Shares sold and the purchaser shall not be bound to see to the regularity of the proceedings, nor to the application on the purchase money and after his name has been entered in the register in respect of such shares his title to such shares shall not be affected by any irregularity or invalidity in the proceedings in reference to such forfeiture, sale or disposition nor impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

Application of proceeds of sale

53. The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the persons entitled to the shares at the date of the sale.
54. Where any Shares under the power in that behalf herein contained are sold by the Directors and the certificate thereof has not been delivered up or surrendered to the Company by the former holder of the said Shares the Directors may issue a new certificate for such Shares distinguishing it in such manner as they may think fit from the certificate not so delivered up.

FORFEITURE OF SHARE

If call or installment not paid notice may be given

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

Form of notice

56. The notice shall:
 - 56.1. name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made.
 - 56.2. detail the amount which is due and payable on the shares and shall state that in the event of non-payment on or before the time appointed the shares will be liable to be forfeited.

If notice not complied with Shares may be forfeited

57. If the requisitions of any such notice as aforesaid be not complied with, any Shares in respect of which such notice has been given may, at any time thereafter, before payment of all calls or 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 declared in respect of the

forfeited Shares and not actually paid before the forfeiture. Neither the receipt by the Company of a portion of any money which shall from time to time be due from any member of the Company in respect of his Shares either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money shall preclude the Company from thereafter proceeding to enforce a forfeiture of such Shares as herein provided.

Notice of forfeiture to a Member

58. When any Shares 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, and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register of Members, but no forfeiture shall be in any manner invalidated, by any omission or neglect to give such notice or to make any such entry as aforesaid.

Forfeited Share to become property of the Company

59. 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 in such manner as think fit.

Power to cancel forfeiture

60. The Board may, at any time before any Share so forfeited shall have been sold, re-allotted or otherwise disposed of, cancel the forfeiture thereof upon such conditions as it thinks fit.

Liability on forfeiture

61. A person whose Share has been forfeited shall cease to be a Member in respect of the forfeited Share, but shall notwithstanding, remain liable to pay, and shall forthwith pay to the Company, all calls, or installment, interest and expenses, owing in respect of such Share at the time of the forfeiture, together with interest thereon, from the time of forfeiture until payment, at such rate as the Board may determine and the Board may enforce the payment thereof, to any party thereof, without any deduction or allowance for the value of the shares at the time of forfeiture, but shall not be under any obligation to do so. The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the Shares.
62. The liability of such person shall cease if and when the Company shall have received payment in full of all such money in respect of the shares.

Effect of forfeiture

63. The forfeiture of a Share involves extinction, at the time of the forfeiture, of all interest and all claims and demands against the Company in respect of the Share and all other rights, incidental to the Share except only such of those rights as by these Articles are expressly saved.

Evidence of forfeiture

64. A duly verified declaration in writing that the declarant is a Director, the manager or the secretary of the Company, and that certain Shares in the Company have been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Shares and such declaration, and the receipt by the Company for the consideration, if any, given for the Shares on the sale or disposition thereof, shall constitute, a good title to such Shares and the person to whom the Shares are sold shall be registered as the holder of such Shares and shall not be bound to see to the application of the purchase money, nor shall his title to such shares be affected by any irregularity or invalidity in the proceedings in reference to such forfeiture, sale of disposition.

Cancellation of Share certificate in respect of forfeited Shares

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

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

65.2. The transferee shall thereupon be registered as the holder of the Share; and

65.2.1. The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the Share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the Share.

These Articles to apply in case of any non-payment

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

Employees Stock Options

66. Subject to the provisions of Section 62 of the Act and the Applicable Law, the Company may issue options to any Directors officers, or employees of the Company, its subsidiaries or its parent, which would give such Directors, officers or employees, the benefit or right to purchase or subscribe at a future date, the securities offered by the Company at a predetermined price, in terms of schemes of employee stock options or employees Share purchase or both.

Power to issue Sweat Equity Shares

67. Subject to and in compliance with Section 54 and other Applicable Law, the Company may issue the equity shares to its employees or Director(s) at a discount or for consideration other than cash for providing know-how or making available rights in the nature of intellectual property rights or value additions, by whatever name called.

Preferential Allotment

68. Subject to the provisions of Section 62 the Act, read with the conditions as laid down in the Applicable Law, and if authorized by a Special Resolution passed in a General Meeting, the Company may issue Shares, in any manner whatsoever, by way of a preferential offer or private placement. Such issue on preferential basis or private placement should also comply with the conditions as laid down in Section 42 of the Act and/or Applicable law.

Capitalisation of profits

69. The Company in General Meeting may, upon the recommendation of the Board, resolve—

- 69.1. that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and
- 69.2. that such sum be accordingly set free for distribution in the manner specified in 69.1 amongst the members who would have been entitled thereto, if distributed by way of Dividend and in the same proportions.
70. The sum aforesaid shall not be paid in cash but shall be applied, subject to applicable provisions contained herein, either in or towards—
- 70.1. paying up any amounts for the time being unpaid on any shares held by such members respectively;
- 70.2. paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
- 70.3. partly in the way specified in Article 70.1 and partly in that specified in Article 70.1;
- 70.4. A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares;
- 70.5. The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.
- 70.6. Whenever such a resolution as aforesaid shall have been passed, the Board shall—
- 70.6.1. make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and
- 70.6.2. generally do all acts and things required to give effect thereto.
71. The Board shall have power—
- 71.1. To authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;
- 71.2. Any agreement made under such authority shall be effective and binding on such members.

TRANSFER AND TRANSMISSION OF SHARES

Register of transfers

72. The Company shall keep a book to be called the "Register of Transfers", and therein shall be fairly and directly entered particulars of every transfer or transmission of any Share. The Register of Transfers shall not be available for inspection or making of extracts by the Members of the Company or any other Persons. Entries in the register should be authenticated

by the secretary of the Company or by any other person authorized by the Board for the purpose, by appending his signature to each entry.

Instruments of transfer

73. The instrument of transfer shall be in common form and in writing and all provision of Section 56 of the Act and statutory modification thereof for the time being shall be duly complied with in respect of all transfer of Shares and registration thereof.

To be executed by transferor and transferee

74. Every such instrument of transfer shall be executed both by transferor and the transferee and the transferor shall be deemed to remain the holder of such Share until the name of the transferee shall have been entered in the Register of Members in respect thereof. The Board shall not issue or register a transfer of any Share in favour of a minor (except in cases when they are fully paid up and in the manner as provided hereinbelow).
75. Application for the registration of the transfer of a Share may be made either by the transferee or the transferor. However, where an application is made by the transferor alone and relates to partly paid shares, no registration shall be effected unless the Company gives notice of such application to the transferee subject to the provisions of these Articles and Section 56 of the Act and/or Applicable Law and the transferee gives no objection to the transfer within two weeks from the date of receipt of the notice.

Transfer books when closed

76. The Board shall have power to give at least seven days' previous notice by advertisement in some newspaper circulating in the district in which the registered office of the Company is situated, in accordance with Section 91 of the Act and Applicable Laws, to close the transfer books, the Register of Members, Register of Debenture holders or the Register of other Security holders at such time or times and for such period or periods, not exceeding thirty days at a time and not exceeding in the aggregate forty-five days in each year, as it may deem expedient.

Directors may refuse to register transfer

77. Subject to the provisions of Section 56 of the Act, these Articles and other applicable provisions of the Act or any other law for the time being in force, the Board may refuse, in the interest of the Company or in pursuance of power under any Applicable Law, 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 Company shall, from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to the Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal, within such time as permitted by Applicable Law. Provided that the registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except where the Company has a lien on shares.
78. The Board may, subject to the right of appeal conferred by Section 58 of the Act and other Applicable Law decline to register—
- 78.1. the transfer of a Share, not being a fully paid Share, to a person of whom they do not approve; or

78.2. any transfer of shares on which the Company has a lien.

79. The Board may decline to recognise any instrument of transfer unless—

79.1. the instrument of transfer is in the form as prescribed under sub-section (1) of Section 56 of the Act or Applicable Law;

79.2. the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and

79.3. the instrument of transfer is in respect of only one class of shares.

Directors to recognize Beneficial Owners of securities

80. Notwithstanding anything contained in these Articles, a Depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of Securities on behalf of a Beneficial Owner.

81. Save as otherwise provided hereinabove, the Depository as a registered owner shall not have any voting rights or any other rights in respect of securities held by it, and the Beneficial Owner shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of its securities held by a Depository.

82. Except as ordered by a Court of competent jurisdiction or as required by law, the Company shall be entitled to treat the person whose name appears as the Beneficial Owner of the securities in the records of the Depository as the absolute owner thereof and accordingly the Company shall not be bound to recognise any benami, trust or equitable, contingent, future or partial interest in any Security or (except otherwise expressly provided by the Articles) any right in respect of a Security other than an absolute right thereto, in accordance with these Articles on the part of any other person whether or not it shall have express or implied notice thereof.

Nomination

83. Every holder of Shares in, or Debentures of the Company may at any time nominate, in the manner prescribed under the Act, a person to whom his shares in or Debentures of the Company shall vest in the event of death of such holder.

84. Where the Shares in, or Debentures of the Company are held by more than one person jointly, the joint holders may together nominate, in the prescribed manner, a person to whom all the rights in the shares or Debentures of the Company, as the case may be, held by them shall vest in the event of death of all joint holders.

85. Notwithstanding anything contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, or in these Articles, in respect of such shares in or Debentures of the Company, where a nomination made in the prescribed manner purports to confer on any person the right to vest the shares in, or Debentures of the Company, the nominee shall, on the death of the shareholders or holder of Debentures of the Company or, as the case may be, on the death of all the joint holders become entitled to all the rights in the shares or

Debentures of the Company to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner under the provisions of the Act.

86. Where the nominee is a minor, it shall be lawful for the holder of the Shares or holder of Debentures to make the nomination to appoint, in the prescribed manner under the provisions of the Act, any person to become entitled to the Shares in or Debentures of the Company, in the event of his death, during the minority.

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the Share or Debenture, and if the notice is not complied within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the share or debenture, until the requirement of the notice have been complied with.

Transmission in the name of nominee

87. Any person becoming entitled to Shares or Debentures in consequence of the death, lunacy, bankruptcy or insolvency of any member, or the marriage of a female member, or by any lawful means other than by a transfer in accordance with These Presents, may with the consent of the Board of Directors and subject as hereinafter provided, elect, either to be registered himself as holder of the Shares or Debentures, as the case may be; or to make such transfer of the shares or Debentures, as the case may be, as the deceased shareholder or Debenture holder, as the case may be, could have made.

Provided nevertheless that it shall be lawful for the Directors in their absolute discretion to dispense with the production of any evidence including any legal representation upon such terms as to indemnity or otherwise as the Directors may deem fit.

Provided nevertheless, that if such person so becoming entitled, elects to register some other person, he shall testify the election by executing an instrument of transfer in accordance with the provisions herein contained and until he does so, he shall not be freed from any liability in respect of the Shares or Debentures.

88. The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the Share before his death or insolvency.
89. If any person, so becoming entitled under Article 87, elects himself to be registered as holder of the shares or Debentures, as the case may be, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects and such notice shall be accompanied with death certificate of the deceased shareholder or Debenture holder and the certificate(s) of shares or Debentures, as the case may be, held by the deceased in the Company.
90. If the person aforesaid shall elect to transfer the Share, he shall testify his election by executing a transfer of the Share.
91. All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.
92. Subject to the provisions of Section 56 of the Act and these Articles, the Board may register the relevant shares or Debentures in the name of the nominee of the transferee as if the death of the

registered holder of the shares or Debentures had not occurred and the notice or transfer were a transfer signed by that shareholder or Debenture holder, as the case may be.

93. A nominee on becoming entitled to shares or Debentures by reason of the death of the holder or joint holders shall be entitled to the same Dividend and other advantages to which he would be entitled if he were the registered holder of the Share or Debenture, except that he shall not before being registered as holder of such shares or Debentures, be entitled in respect of them to exercise any right conferred on a member or Debenture holder in relation to meetings of the Company.
94. The Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the shares or Debentures, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonus, interest or other moneys payable or rights accrued or accruing in respect of the relevant shares or Debentures, until the requirements of the notice have been complied with.

No transfertominor, insolvent etc.

95. No transfer shall be made to a minor or person of unsound mind. However in respect of fully paid up shares, shares may be transferred in favor of minor acting through legal guardian, in accordance with the provisions of law.

Person entitled may receive Dividend without being registered as a Member

96. A person entitled to a Share by transmission shall, subject to the right of the Directors to retain such dividends or money as hereinafter provided, be entitled to receive and may give discharge for any dividends and other advantages to which he would be entitled if he were the registered holder of the Share, except that he shall not, before being registered as a member in respect of the Share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.

Transfer to be presented with evidence of title

97. Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by such evidence as the Board of Directors may require to prove the title of the transferor, his right to transfer the shares and generally under and subject to such conditions and regulations as the Board of Directors shall from time to time prescribe, and every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board of Directors.

Conditions of registration of transfer

98. For the purpose of the registration of a transfer, the certificate or certificates of the Share or shares to be transferred must be delivered to the Company along with (same as provided in Section 56 of the Act) a properly stamped and executed instrument of transfer.

No fee on transfer or transmission

99. No fee shall be charged for registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar other document.

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

100. The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any

apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice, or deferred thereto, in any book of the Company, and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right title or interest, or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some book of the Company; but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Board of Directors shall so think fit.

DEMATERIALIZATION OF SECURITIES

101. The provisions of this Article shall apply notwithstanding anything to the contrary contained in any other Articles.

Dematerialization of Securities

102. The Board shall be entitled to dematerialize Securities or to offer securities in a dematerialized form pursuant to the Depositories Act, as amended. The provisions contained in Articles 101 to 113 will be applicable in case of such Securities as are or are intended to be dematerialized.

Options for investors

103. Every holder of or subscriber to Securities of the Company shall have the option to receive certificates for such securities or to hold the securities with a Depository. Such a person who is the Beneficial Owner of the securities can at any time opt out of a Depository, if permitted by law, in respect of any securities in the manner provided by the Depositories Act, 1996, and the Company shall, in the manner and within the time prescribed by law, issue to the Beneficial Owner the required certificates for the Securities.

104. If a person opts to hold his Securities with the Depository, the Company shall intimate such Depository the details of allotment of the Securities, and on receipt of the information, the Depository shall enter in its record the name of the allottee as the Beneficial Owner of the Securities.

Securities in depositories to be in fungible form

105. All securities held by a Depository shall be dematerialized and be in fungible form. Nothing contained in Sections 89 and 186 of the Act shall apply to a Depository in respect of the Securities held by it on behalf of the Beneficial Owners.

Rights of Depositories and Beneficial Owners

106. Notwithstanding anything to the contrary contained in these Articles, a Depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of Securities of the Company on behalf of the Beneficial Owner.

107. Save as otherwise provided in Article 106 above, the Depository as the registered owner of the Securities shall not have any voting rights or any other rights in respect of the Securities held by it.

108. Every person holding Securities of the Company and whose name is entered as the Beneficial Owner of securities in the record of the Depository shall be entitled to all the rights and benefits

and be subject to all the liabilities in respect of the Securities which are held by a Depository and shall be deemed to be a Member of the Company.

Service of Documents

109. Notwithstanding anything contained in these Articles to the contrary, where Securities of the Company are held in a Depository, the records of the beneficiary ownership may be served by such Depository on the Company by means of Electronic Mode.

Transfer of securities

110. Nothing contained in Section 56 of the Act or these Articles shall apply to a transfer of Securities effected by a transferor and transferee both of whom are entered as Beneficial Owners in the records of a Depository.

Allotment of securities dealt with in a Depository

111. Notwithstanding anything contained in the Act or these Articles, where Securities are dealt with by a Depository, the Company shall intimate the details thereof to the Depository immediately on allotment of such Securities.

Distinctive number of securities held in a Depository

112. Nothing contained in the Act or in these Articles regarding the necessity of having distinctive numbers for Securities issued by the Company shall apply to Securities held with a Depository.

Register and index of Beneficial Owners

113. The Register and index of Beneficial Owners maintained by Depository under the Depositories Act, as amended shall be deemed to be the Register and Index of Members and Security holders for the purposes of these Articles.

COPIES OF MEMORANDUM AND ARTICLES TO BE SENT TO MEMBERS

114. Copies of memorandum and articles of association of the Company shall be furnished to every shareholder of the Company at his request on payment of an amount as may be fixed by the Board to recover reasonable cost and expenses, not exceeding such amount as fixed under Applicable Law.

BORROWING POWERS

Power to borrow

115. The Board may, from time to time, at its discretion subject to the provisions of these Articles, Section 73 to 76, 179, 180 of the Act or Applicable Law, raise or borrow, either from the Directors or from elsewhere and secure the payment of any sum or sums of money for the purpose of the Company; by a resolution of the Board, or where a power to delegate the same is available, by a decision/resolution of such delegate, provided that the Board shall not without the requisite sanction of the Company in General Meeting borrow any sum of money which together with money borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate for the time being of the paid up share Capital of the Company and its free reserves.

Conditions on which money may be borrowed

116. The Board may raise or secure the repayment of such sum or sums in such manner and upon such terms and conditions in all respects as it thinks fit and in particular, by the issue of bonds, or other Securities, or any mortgage, or other Security on the undertaking of the whole or any

part of the property of the Company (both present and future including its uncalled capital for the time being).

Terms of issue of Debentures

117. Any Debentures, Debenture stock, bonds or other Securities may be issued on such terms and conditions as the Board may think fit. Provided that Debenture with a right to allotment or conversion into shares shall be issued in conformity with the provisions of Section 62 of the Act. Debentures, Debenture stock, bonds and other securities may be made assignable free from any equities from the Company and the person to whom it may be issued. Debentures, Debenture- stock, bonds or other securities with a right of conversion into or allotment of Shares shall be issued only with such sanctions as may be applicable.

Instrument of transfer

118. Save as provided in Section 56 of the Act, no transfer of Debentures shall be registered unless a proper instrument of transfer duly executed by the transferor and transferee has been delivered to the Company together with the certificate or certificates of the Debentures: Provided that the Company may issue non-transferable Debentures and accept an assignment of such instruments.

Delivery of certificates

119. Deliver by the Company of certificates upon allotment or registration of transfer of any Debentures, Debenture stock or bond issued by the Company shall be governed and regulated by Section 56 of the Act.

Register of charge, etc.

120. The Board shall cause a proper register to be kept in accordance with the provisions of Section 85 of the Act of all mortgages, Debentures and charges specifically affecting the property of the Company, and shall cause the requirements of Sections 77 to 87 of the Act, both inclusive of the Act in that behalf to be duly complied with, so far as they are ought to be complied with by the Board.

Register and index of Debenture holders

121. The Company shall, if at any time it issues Debentures, keep Register and Index of Debenture holders in accordance with Section 88 of the Act. The Company shall have the power to keep in any state or country outside India a branch register of Debenture-stock, resident in that State or country.

GENERAL MEETINGS

122. The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meetings in that year.
123. Every Annual General Meeting shall be called during business hours, that is, between 9 a.m. and 6 p.m. on any day that is not a national holiday and shall be held either at the registered office of the Company or at some other place within the city, town or village in which the registered office of the Company is situated.
124. All general meetings other than Annual General Meeting shall be called Extraordinary General Meeting.

125. In the case of an Annual General Meeting, all businesses to be transacted at the meeting shall be deemed special, with the exception of business relating to:
- 125.1. the consideration of financial statements and the reports of the Board of Directors and Auditors;
 - 125.2. the declaration of any Dividend;
 - 125.3. the appointment of Directors in place of those retiring;
 - 125.4. the appointment of, and the fixing of the remuneration of, the Auditors
126. In case of any other meeting, all business shall be deemed special.
127. The Board may, whenever it thinks fit, call an Extraordinary General Meeting.
128. Where permitted or required by Applicable Law, Board may, instead of calling a meeting of any Member/ class of Members/ Debentureholders, seek their assent by Postal Ballot, including e-voting. Such Postal Ballot will comply with the provisions of Applicable Law in this behalf.
129. The intent of these Articles is that in respect of seeking the sense of the members or members of a class or any Security holders, the Company shall, subject to Applicable Law, be entitled to seek assent of members, members of a class of members or any holders of securities using such contemporaneous methods of communication as is permitted by Applicable Law. A written resolution including consent obtained through Electronic Mode shall be deemed to be sanction provided by the member, member of a class or other Security holder by way of personal presence in a meeting.
130. The Board may, whenever it thinks fit, call an Extraordinary General Meeting and it shall do so upon a requisition in writing by any member or members holding in the aggregate not less than one-tenth of such of the paid-up Capital as at the date carries the right of voting in regard to the matter in respect of which the requisition has been made.
131. Any meeting called as above by the requisitionists shall be called in the same manner, as nearly as possible, as that in which meetings are to be called by the Board.

E-votings in case of General Meetings:

132. Where the Company conducts General Meetings by way of e-voting, the Company shall follow the procedure laid down under the Act and Applicable Law.
133. Where Member has been allowed the option of voting through Electronic Mode as per Applicable Law, such Member, or Members generally, shall be allowed to speak at a Meeting, but shall not be allowed to vote at the meeting unless permitted by applicable Law.
- Provided that voting may also be allowed to be casted by way of poll or any other mode which any Applicable Law may allow.
134. Where there is voting at General Meeting in addition to E-voting, the person chairing the General Meeting may require a poll to be conducted. The person chairing the General Meeting

shall declare the results obtained through Electronic Modes and the result of the poll, at such place and within such time as may be permitted by Applicable Law.

Notice of General Meetings

135. At least 21 clear days' notice of every General Meeting, specifying the day, date, place and hour of meeting, containing a statement of the business to be transacted thereat, shall be given, either in writing or through Electronic Mode, to every Member or legal representative of any deceased Member or the assignee of an insolvent Member, every Auditor(s) and Director of the Company.
136. A General Meeting may be called at a shorter notice if consented to by either by way of writing or any Electronic Mode by not less than 95% of the Members entitled to vote at such meeting.

Quorum at General Meeting

137. No business shall be transacted at any General Meeting unless a quorum of members is present at the time when the meeting proceeds to business.
138. Save as otherwise provided herein, the quorum for the General Meetings shall be as provided in Section 103 of the Act.
139. If, at the expiration of half an hour from the time appointed for holding a meeting of the Company, a quorum shall not be present, the meeting, if convened by or upon the requisition of members shall stand dissolved, but in any other case the meeting shall stand adjourned to the same day in the next week or, if that day is a public holiday, until the next succeeding day which is not a public holiday, at the same time and place, or to such other day and at such other time and place as the Board may determine and if at such adjourned meeting a quorum is not present at the expiration of half an hour from the time appointed for holding the meeting, the members present shall be quorum and may transact the business for which the meeting was called.

Chairperson at General Meetings

140. The Chairperson, if any, of the Board shall preside as chairperson at every General Meeting of the Company.
141. If there is no such chairperson, or if he is not present within fifteen minutes after the time appointed for holding the Meeting, or is unwilling to act as chairperson of the Meeting, the Directors present shall elect one among themselves to be chairperson of the Meeting.
142. If at any Meeting no Director is willing to act as chairperson or if no Director is present within fifteen minutes after the time appointed for holding the Meeting, the members present shall choose one of themselves to be chairperson of the Meeting.
143. No business shall be discussed at any General Meeting except the election of a chairperson, while the chair is vacant.

Adjournment of Meeting

144. The Chairperson may, with the consent of any Meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the Meeting from time to time and from place to place.

145. No business shall be transacted at any adjourned Meeting other than the business left unfinished at the Meeting from which the adjournment took place.
146. When a Meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original Meeting.
147. Save as aforesaid, and as provided in Section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

Voting rights

148. No Member shall be entitled to vote either personally or by proxy, at any General Meeting or Meeting of a class of shareholders 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, and has exercised any right of lien.
149. Subject to any rights or restrictions for the time being attached to any class or classes of Shares,—
 - 149.1. on a show of hands, every Member present in person shall have one vote; and
 - 149.2. on a poll, the voting rights of Members shall be in proportion to his Share in the paid-up equity share Capital of the Company.
 - 149.3. A Member may exercise his vote at a Meeting by electronic means in accordance with Section 108 of the Act and shall vote only once.
150. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

For this purpose, seniority shall be determined by the order in which the names stand in the Register of Members.
151. 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 on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.
152. Any business other than that upon which a poll has been demanded may be preceded with, pending the taking of the poll.
153. No Member shall be entitled to vote at any General Meeting unless all calls or other sums presently payable by him in respect of Shares in the Company have been paid.
154. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.
155. Any such objection made in due time shall be referred to the chairperson of the Meeting, whose decision shall be final and conclusive.

Proxy

156. Subject to the provisions of these Articles, votes may be given either personally or by proxy. A body corporate being a Member may vote by a representative duly authorised in accordance with Section 113 of the Act, and such representative shall be entitled to exercise the same rights and powers (including the rights to vote by proxy) on behalf of the body corporate which he represents as the body could exercise if it were an individual member.
157. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the Meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution.
158. Every proxy (whether a member or not) shall be appointed in writing under the hand of the appointer or his attorney, or if such appointer is a body corporate, under the Seal of such corporate, or be signed by an officer or any attorney duly authorised by it, and any committee or guardian may appoint such proxy. An instrument appointing a proxy shall be in the form as prescribed in terms of Section 105 of the Act.
159. A Member present by proxy shall be entitled to vote only on a poll, except where Applicable Law provides otherwise.
160. The proxy so appointed shall not have any right to speak at the meeting.
161. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the Shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the Meeting or adjourned Meeting at which the proxy is used.

Passing of resolution by Postal Ballot

162. Where permitted or required by Applicable Law, Board may, instead of calling a meeting of any Members/ class of Members/ Debenture holders, seek their assent by Postal Ballot, which shall include e-voting. Such Postal Ballot will comply with the provisions of Applicable Law in this behalf.
163. Where permitted/required by Applicable Law, Board may provide Members/Members of a class/Debentureholders right to vote through e-voting, complying with Applicable Law.
164. The intent of these Articles is that in respect of seeking the sense of the Members or Members of a class or any Security holders, the Company shall, subject to Applicable Law, be entitled to seek assent of Members, Members of a class of Members or any holders of securities using such use of contemporaneous methods of communication as is permitted by Applicable Law. A written resolution, including consent obtained through Electronic Mode, shall be deemed to be

sanction provided by the Member, Member of a class or other Security holders by way of personal presence in a meeting.

165. Notwithstanding anything contained in the foregoing, the Company shall transact such business, follow such procedure and ascertain the assent or dissent of Members for a voting conducted by Postal ballot, as may be prescribed by Section 110 of the Act and Applicable Law.
166. In case of resolutions to be passed by Postal ballot, no Meeting needs to be held at a specified time and space requiring physical presence of Members to form a quorum.
167. Where a resolution will be passed by Postal ballot the Company shall, in addition to the requirements of giving requisite clear days' notice, send to all the Members the following:
 - 167.1. Draft resolution and relevant explanatory statement clearly explaining the reasons thereof.
 - 167.2. Postal ballot for giving assent or dissent, in writing by Members; and
 - 167.3. Enable Member, in such manner as prescribed under Applicable Law, for communicating assents or dissents on the Postal ballot to the Company with a request to the Members to send their communications within 30 days from the date of dispatch of the notice.

Maintenance of records and Inspection of minutes of General Meeting by Members

168. Where permitted/required by Applicable Law, all records to be maintained by the Company may be kept in electronic form subject to the provisions of the Act and the conditions as laid down in the Applicable Law. Such records shall be kept open to inspection in the manner as permitted by the Act and Applicable Law. The term 'records' would mean any register, index, agreement, memorandum, minutes or any other document required by the Act and Applicable Law made there under to be kept by the Company.
169. The Company shall cause minutes of all proceedings of every General Meeting to be kept by making within thirty days of the conclusion of every such Meeting concerned, entries thereof in books kept for that purpose with their pages consecutively numbered.
170. Any such minutes shall be evidence of the proceedings recorded therein.
171. The book containing the minutes of proceedings of General Meetings shall be kept at the registered office of the Company and shall be open during business hours, for such periods not being less than 2 hours on any day, as may be fixed by the company secretary from time to time, to the inspection of any Member without charge.
172. Any Member of the Company shall be entitled to a copy of minutes of the General Meeting on receipt of a specific request and at a fee of Rs. 10/- (*rupees ten only*) for each page, or such higher amount as the Board may determine, as permissible by Applicable Law.

BOARD OF DIRECTORS

173. The number of Directors of the Company shall be not less than 3 (three) and not more than 15 (fifteen). However, the Company may appoint more than 15 Directors after passing a Special Resolution. Further, any person or persons shall have power to nominate a Director of the

Company, then in the case of any and every such issue of debenture, the person or persons having such power may exercise such power from time to time and appoint a Director accordingly and such appointment shall be in such terms and conditions as laid down by Board, as permitted by Applicable Law. The Directors are not required to hold any qualification shares. Composition of the Board shall be in accordance with the provisions of Section 149 of the Act and other Applicable Laws. Provided that where there are temporary gaps in meeting the requirements of Applicable Law pertaining to composition of Board of Directors, the remaining Directors shall (a) be entitled to transaction business for the purpose of attaining the required composition of the Board; and (b) be entitled to carry out such business as may be required in the best interest of the Company in the meantime.

174. The following persons shall be the First Directors of the Company :-

174.1. **SHRI SHIV PRAKASH MITTAL**

174.2. **SHRI RAJESH MITTAL**

174.3. **SHRI SAURABH MITTAL**

174.4. **SHRI SHOBHAN MITTAL**

Board's power to appoint Additional Directors

175. Subject to the provisions of Sections 149, 152 and 161 of the Act and Applicable Laws, the Board shall have power at any time, and from time to time, to appoint a person as an additional Director, provided the number of the Directors and additional Directors together shall not at any time exceed the maximum strength fixed for the Board by these Articles.

176. Such person shall hold office only up to the date of the next Annual General Meeting of the Company but shall be eligible for appointment by the Company as a Director at that meeting subject to the provisions of the Act.

Nominee Directors

177. The Company shall, subject to the provisions of the Act and these Articles, be entitled to agree with any Person that he or it shall have the right to appoint his or its nominee on the Board, not being an Independent Director, upon such terms and conditions as the Company may deem fit. He shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.

178. In the event of Company borrowing any money from any financial corporation or institution or Government or any Government body or a collaborator, bank, person or persons or from any other source, while any money remains due to them or any of them, the lender concerned may have and may exercise the right and power to appoint, from time to time, any person or persons to be a Director or Directors of the Company.

179. A nominee Director may at any time be removed from the office by the appointing authority who may from the time of such removal or in case of death or resignation of person, appoint any other or others in his place. Any such appointment or removal shall be in writing, signed by the appointer and served on the Company. Such Director need not hold any qualification shares.

Appointment of Alternate Directors

180. Subject to the provisions of Section 161(2) of the Act, the Board may appoint 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. No person shall be appointed as an alternate Director in place of an Independent Director unless he is qualified to be appointed as an Independent Director under the Act and Applicable Law. An Alternate Director appointed under this Article shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India. If the terms of office of the Original Director are determined before he so returns to India, any provisions in the Act or in these Articles for the automatic reappointment of any retiring Director in default of another appointment shall apply to the Original Director, and not to the alternate Director.

For the purpose of absence in the Board meetings in terms of Section 167 (1) (b) of the Act, the period during which an Original Director has an alternate Director appointed in his place, shall not be considered.

Board's power to fill vacancies

181. Subject to the provisions of Sections 152(7), 161(4) and 169(7) of the Act, the Board shall have power at any time and from time to time to appoint any other qualified person to be a Director to fill a casual vacancy. Any person so appointed shall hold office only up to the date to which the Director in whose place he is appointed would have held office if it had not been vacated by him.
182. If the place of the retiring Director is not filled up and the Meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned until the same day in the next week, at the same time and place in accordance with the provisions of Section 152(7) of the Act.
183. If at the adjourned meeting also, the vacancy caused by 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 so deemed to have been reappointed at the adjourned meeting, unless :
 - 183.1. at that meeting or at the previous meeting the resolution for the reappointment of such Director has been put to the meeting and lost;
 - 183.2. the retiring Director has, by a notice in writing addressed to the Company or its Board expressed his unwillingness to be so reappointed;
 - 183.3. he is not qualified or is disqualified for appointment;
 - 183.4. a resolution whether special or ordinary, is required for the appointment or reappointment by virtue of any provisions of the Act; or
 - 183.5. the provision of Section 162 of the Act is applicable to the case.

Independent Directors

184. Subject to the provisions of Section 149(6) of the Act and other Applicable Laws, the Board or any other Committee as per the Act shall identify potential individuals for the purpose of appointment as Independent Director either from the databank established under Section 150 of Act or otherwise.

185. The Board on receiving such recommendation shall consider the same and propose his appointment for approval at a General Meeting. The explanatory statement to the notice for such General Meeting shall provide all requisite details as required under the Act.
186. Any casual vacancy in the post of an Independent Director caused by way of removal, resignation, death, vacation of office under Section 167 of the Act and Applicable Law or removal from directorship pursuant to any court order or due to disqualification under Section 164 of Act shall be filled by following the process laid down herein below and in accordance with the Applicable Law. No such casual vacancy shall prejudice the functioning of the Board during the intervening period.
187. Every Independent Director shall at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the circumstances which may affect his status as an Independent Director, give a declaration that he meets the criteria of independence.
188. The Company and Independent Directors are required to abide by the provisions specified in Schedule IV of the Act.
189. An Independent Director shall not be entitled to any stock option and may receive remuneration by way of sitting fee, reimbursement of expenses for participation in the Board and other meetings and also to such commission based on profits, as may, subject to provisions of Applicable Law, be approved by the Members.
190. An Independent Director shall be held liable, only in respect of such acts of omission or commission by a Company which had occurred with his knowledge, attributable through Board processes, and with his consent or connivance or where he had not acted diligently.
191. The provisions relating to retirement of Directors by rotation shall not be applicable to appointment of Independent Directors.
192. Term of Office of Independent Director:

Subject to Applicable Law, an Independent Director shall hold office for a term up to 5 (five) consecutive years on the Board of a Company, but shall be eligible for reappointment for one more term on passing of a Special Resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than 2 (two) consecutive terms, but such Independent Director shall be eligible for appointment after the expiration of 3 (three) years of ceasing to become an Independent Director provided that he shall not, during the said period of 3 (three) years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

Retirement and rotation of Directors

193. At least two-thirds of the total number of Directors, excluding Independent Directors, will be the Directors who are liable to retire by rotation (hereinafter called "the Rotational Directors").

194. At every Annual General Meeting of the Company, one-third of the Rotational Directors, or if their number is not three or a multiple of three, then, the number nearest to one-third, shall retire from office.
195. The Company may appoint a managing or a whole-time director, or any other executive director, as Rotational Director and the rotation of these Directors pursuant to Article 194 shall not be construed as a break in their tenure of appointment.
196. A retiring Director shall be eligible for re-election.

Resignation of Directors

197. Subject to the provisions of Applicable Law, a Director may resign from his office by giving a notice in writing to the Company and Board shall take note of the same. The fact of such resignation shall be mentioned in the report of Directors laid in the immediately following General Meeting by the Company.
198. A managing director or a whole-time director or any executive director who has any terms of employment with the Company shall not give any notice of resignation in breach of the conditions of employment as may be applicable, either to a Director specifically, or to employees of the Company generally. A nominee Director shall not give any notice of resignation except through the nominating person.
199. The resignation of a Director shall take effect from the date on which the notice is received by the Company or the date, if any, specified by the Director in the notice, whichever is later. In case of resignation by a whole-time Director or Managing Director, the resignation shall be effective as per the terms of appointment as mutually agreed and as may be permitted by Applicable Law.

Provided that the Director who has resigned shall be liable even after his resignation for the offences which occurred during his tenure.

Removal of Directors

200. Any Director of the Company, except the one appointed by the National Company Law Tribunal, may be removed by way of Ordinary Resolution before the expiry of his term of office, subject to the provisions of Section 169 of Act.

Remuneration of Directors

201. Subject to the provisions of Section 197 of the Act, a Director may be paid remuneration either by way of a monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other.

Provided that where the Company takes a directors' and officers' liability insurance, specifically pertaining to a particular Director and/or officer, then the premium paid in respect of such insurance, for the period during which a Director and/or officer has been proved guilty, will be treated as part of remuneration paid to such Director and/or officer.

202. The Board or a relevant Committee constituted for this purpose shall seek to ensure that the remuneration paid to Directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

203. The fees payable to a Director for attending the meetings of the Board or Committee thereof shall be such sum as may be decided by the Board of Directors from time to time within the maximum limit as prescribed under Section 197(5) of the Act and Applicable Law. Fee shall also be paid for attending any separate meeting of the Independent Directors of the Company in pursuance of any provision of the Act. Fee shall also be payable for participating in meetings through permissible Electronic Mode.
204. A Director of this Company may be or become a Director of any company promoted by this Company or in which it may be interested as a vendor, shareholders or otherwise, and no such Director shall be accountable for any benefits received as a Director or member of such Company.
205. In addition to the remuneration payable pursuant to Section 197 of the Act, the Directors may be paid all conveyance, hotel and other expenses properly incurred by them—
- a. in attending and returning from meetings of the Board of Directors or any Committee thereof or general meetings of the Company; or
 - b. in connection with the business of the Company.

Directors may act notwithstanding any vacancies on Board

206. The continuing Directors may act notwithstanding any vacancy in their body but if, and so long as their number is reduced below the minimum number fixed by These Presents, the continuing Directors may act for the purpose of increasing the number of Directors to the minimum number fixed by These Presents or for summoning a General Meeting for the purpose increasing the number of Directors to such minimum number, but for no other purpose.

Vacation of office of Director

207. The office of a Director shall ipso facto be vacated:
- a. on the happening of any of the events as specified in Section 167 of the Act.
 - b. in the case of alternate Director, on return of the original Director in terms of Section 161 of the Act;
 - c. having been appointed as a Director by virtue of his holding any office or other employment in the holding, subsidiary or associate company, he ceases to hold such office or other employment in that company;
 - d. if he is removed in pursuance of Section 169 of the Act;
 - e. any other disqualification that the Applicable Law for the time being in force may prescribe.

Notice of candidature for office of Directors except in certain cases

208. No person not being a retiring Director, shall be eligible for appointment to the office of Director at any General Meeting unless he or some Member intending to propose him as a Director, 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 Director or the intention of such Member to propose him as a candidate for that office along with the

requisite deposit of Rupees 1 Lac or such higher amount as the Board may determine, as permissible by Applicable Law.

209. Every person (other than a Director retiring by rotation or otherwise or a person who has left at the office of the Company a notice under Section 160 of the Act signifying his candidature for the office of a Director) proposed as a candidate for the office of a Director, shall sign and file with the Company, the consent in writing to act as a Director, if appointed.
210. A person other than a Director reappointed after retirement by rotation immediately on the expiry of his term of office, or an Additional or Alternate Director, or a person filling a casual vacancy in the office of a Director under Section 161 of the Act, appointed as a Director or reappointed as an Additional or Alternate Director, immediately on the expiry of his term of office, shall not act as a Director of the Company unless he has submitted consent in writing to act as a Director of the Company and the same is filed with the Registrar within thirty days of his appointment.

Director may contract with the Company

211. Subject to Applicable Law, a Director or any Related Party as defined in Section 2 (76) of the Act or other Applicable Law may enter into any contract with Company for the sale, purchase or supply of any goods, materials, or services, or other contract involving creation or transfer of resources, obligations or services, subject to such sanctions as required by Applicable Law.
212. Unless so required by Applicable Law, no sanction shall, however, be necessary for any contracts with a related party entered into on arm's length basis. Where a contract complies with such conditions or indicia of arms' length contracts as laid down in a policy on related party transactions framed by the Board and approved by a general meeting, the contract shall be deemed to be a contract entered into on arm's length basis.

Register of contracts or arrangements in which Directors are interested

213. The Company shall keep a Register in accordance with Section 189 (1) of the Act and Applicable Law. The Register shall be kept at the registered office of the Company and shall be preserved permanently be kept in the custody of the Company Secretary of the Company or any other person authorized by the Board for the purpose.
214. Such a Register shall be open to inspection at such office, and extracts maybe taken therefrom and copies thereof may be provided to a Member of the Company on his request, within seven days from the date on which such request is made and upon the payment of Rs. 10 (*ten rupees*) per page, or such higher amount as may be laid by the Board, as permitted by Applicable Law.

Register of Directors and Key Managerial Personnel and their shareholding

215. The Company shall keep at its registered office a register containing the particulars of its Directors and Key Managerial Personnel, which shall include the details of Securities held by each of them in the Company or its holding, subsidiary, subsidiary of Company's holding Company or associate companies in accordance to Section 170 of the Act and Applicable Law.

Miscellaneous

216. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted,

endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

PROCEEDINGS OF THE BOARD

Meetings of Board

217. The Directors may meet together as a Board from time to time for the conduct and dispatch of the business of the Company, adjourn or otherwise regulate its meetings, as it thinks fit.
218. A meeting of the Board shall be called by giving not less than seven days' notice in writing to every Director at his address registered with the Company and such notice shall be sent by hand delivery or by post or by electronic means.
219. The notice of the meeting shall inform the Directors regarding the option available to them to participate through Electronic Mode, and shall provide all the necessary information to enable the Directors to participate through such Electronic Mode.

A meeting of the Board may be called at shorter notice to transact urgent business subject to the condition that at least one Independent Director, if any, shall be present at the meeting, or in case of absence of Independent Directors from such a meeting of the Board, decisions taken at such a meeting shall be circulated to all the Directors and shall be final only on ratification thereof by at least one Independent Director. Where the Company does not have, for the time being, any Independent Director, a Board meeting may be called at a shorter notice where such notice is approved by a majority of Directors present at such meeting.

220. The Board shall meet at such intervals as permitted by Applicable Law. The Directors may adjourn and otherwise regulate their meetings as they think fit.
221. Every Director present at any meeting of the Board or of a Committee thereof shall sign his name in a book to be kept for that purpose. The names of Directors who have participated in Board meetings through Electronic Mode shall be entered and initialled by the Company Secretary, stating the manner in which the Director so participated

Meetings of Board by Video/audio-visual conferencing

222. Subject to the provisions of Section 173(2) of the Act and Applicable Law, the Directors may participate in meetings of the Board otherwise through physical presence, Electronic Mode as the Board may from time to time decide and Directors shall be allowed to participate from multiple locations through modern communication equipment for ascertaining the views of such Directors who have indicated their willingness to participate by such Electronic Mode, as the case may be.

Regulation for meeting through Electronic Mode

223. The Board may, by way of a resolution passed at a meeting, decide the venues where arrangements may be made by the Company, at the Company's cost, for participation in Board meetings through Electronic Mode, as the case may be, in accordance to the provisions of 173(2) of the Act and Applicable Law. In case of a place other than such places where Company makes arrangements as above, the Chairperson may decline the right of a Director to participate through Electronic Mode in view of concerns of security, sensitivity and confidentiality of Board proceedings. Where the Chairperson so permits a Director to

participate from a place other than the designated places where the Company has made the arrangements, the security and confidentiality of the Board proceedings shall be the responsibility of the Director so participating, and the cost and expense in such participation, where agreed to by the Chairperson, may be reimbursed by the Company.

224. Subject as aforesaid, the conduct of the Board meeting where a Director participates through Electronic Mode shall be in the manner as laid down in Applicable Law.
225. The rules and regulations for the conduct of the meetings of the Board, including for matters such as quorum, notices for meeting and agenda, as contained in these Articles, in the Act and/or Applicable Law, shall apply to meetings conducted through Electronic Mode, as the case may be.
226. Upon the discussions being held by Electronic Mode, as the case may be, the Chairperson or the Company Secretary shall record the deliberations and get confirmed the views expressed, pursuant to circulation of the draft minutes of the meeting to all Directors to reflect the decision of all the Directors participating in such discussions.
227. Subject to provisions of Section 173 of the Act and the Applicable Laws, a Director may participate in and vote at a meeting of the Board by means of Electronic Mode which allows all persons participating in the meeting to hear and see each other and record the deliberations. Where any Director participates in a meeting of the Board by any of the means above, the Company shall ensure that such Director is provided with a copy of all documents referred to during such Board meeting prior to the commencement of this Board Meeting.

When can a meeting be convened

228. The Managing Director or a Director may, and the Manager or Company Secretary upon the requisition of Director(s) shall, at any time, summon a meeting of the Board.

Notice of meeting

229. Notice of every meeting of the Board shall be given in writing including by way of electronic means, not later than seven days, to every Director at his registered address with the Company.
230. The notice of a meeting of the Board must contain information regarding the option available to them to participate through Electronic Mode, and shall provide all the necessary information to enable the Directors to participate through such Electronic Mode.

Chairperson for Board Meetings

231. The Board may elect a Chairperson and determine the period for which he is to hold office. Such Chairperson shall preside at all the Board Meetings of the Company.
232. If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the Directors present may choose one of their numbers to be Chairperson of the meeting.

Quorum

233. The quorum for a meeting of the Board shall be determined from time to time in accordance with the provisions of the Section 174 of the Act. If a quorum is not present within thirty minutes from the time appointed for holding a meeting of the Board it shall be adjourned until

such date and time as the Chairperson of the Board or in his absence, the other Directors present shall decide.

234. The continuing Directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing Directors or Director may act for the purpose of increasing the number of Directors to that fixed for the quorum, or of summoning a general meeting of the Company and for no other purpose.

Exercise of powers to be valid in meetings where quorum is present

235. A meeting of the Board of which a quorum be present shall be competent to exercise all or any of the authorities, powers and discretions by or under these Articles for the time being vested in or exercisable by the Board, or in accordance with Section 179 (1) of the Act, the powers of the Company.

Matter to be decided on majority of votes

236. Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes. In case of an equality of votes, the Chairperson of the Board shall have a second or casting vote.

Power to appoint Committee and to delegate powers

237. The Board may, subject to the provisions of the Act, from time to time and at any time delegate any of its powers to committees consisting of such Director or Directors as it thinks fit, and may from time to time revoke such delegation. Unless a power of the Board is not capable of being delegated, such power may be delegated by the Board to any officer or committee of officers as the Board may determine.
238. Any committee of the Board 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 Board.
239. The meetings and the 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 Board so far as the same are applicable thereto, and are not superseded by any regulations made by the Board.

Resolution without Board Meeting/ Resolution by Circulation

240. Save as otherwise expressly provided in the Act to be passed at a meeting of the Board and subject to Section 175 of the Act or Applicable Laws, a resolution shall be as valid and effectual as if it had been passed at a meeting of the Board or Committee of the Board, as the case may be, duly called and constituted, if a draft thereof in writing is circulated, together with the necessary papers, if any, to all the Directors, or to all the members of the Committee of the Board, as the case may be, at their addresses registered with the Company in India (not being less in number than the quorum fixed for a meeting of the Board or Committee, as the case may be), and has been approved by a majority of the Directors or members as are entitled to vote on the resolution.

Provided that, where not less than one-third of the total number of Directors of the Company for the time being require that any resolution under circulation must be decided at a meeting, the chairperson shall put the resolution to be decided at a Board Meeting.

Provided further that where the resolution has been put to vote at a Board Meeting, the consent or dissent of the Directors obtained by way of resolution by circulation shall be rendered void and not be given effect to.

Acts of Board / Committee valid notwithstanding formal appointment

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

Minutes of proceedings of meeting of Board

242. The Company shall cause minutes of proceedings of every meeting of the Board and Committee thereof to be kept in such form by making within thirty days of the conclusion of every such meeting, entries thereof in the books kept for that purpose with their pages consecutively numbered in accordance to Section 118 of the Act or Applicable Laws.
243. Each page of every such book shall be initialled or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairperson of the said meeting or the Chairperson of the next succeeding meeting.
244. In no case shall the minutes of proceedings of a meeting be attached to any such book as aforesaid by a pasting or otherwise, if the minutes are kept in physical form.
245. The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.
246. Where the meeting of the Board takes place through Electronic Mode, the minutes shall disclose the particulars of the Directors who attended the meeting through such means. The draft minutes of the meeting shall be circulated among all the Directors of the meeting either in writing or in Electronic Mode as may be decided by the Board in accordance with Applicable Law.
247. Every Director who attended the meeting, whether personally or through Electronic Mode, shall confirm or give his comments in writing, about the accuracy of recording of the proceedings of that particular meeting in the draft minutes, within seven days or as permitted by Applicable Law, after receipt of the draft minutes failing which his approval shall be presumed.
248. All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meetings.
249. The minutes shall also contain:
- a. The names of the Directors present at the meeting; and
 - b. In the case of each resolution passed at the meeting the names of the Directors, if any, dissenting from or not concurring in the resolution.

250. Nothing contained in Articles 243 to 247 herein above, shall be deemed to require the inclusion in any such minutes of any matter which, in the opinion of the Chairperson of the meeting :
- a. is, or could reasonably be regarded as defamatory of any person.
 - b. is irrelevant or immaterial to the proceedings; or
 - c. is detrimental to the interest of the Company.

251. The Chairperson 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.

252. Minutes of meetings kept in accordance with the aforesaid provisions shall be evidence of the proceedings recorded therein.

253. Any Director of the Company may requisition for physical inspection of the Board Meeting minutes by giving a prior notice of seven days.

Provided that the Director can requisition to inspect Board Meeting minutes only for the period he is on the Board of the Company.

Provided further that the physical inspection shall be done solely by the Director himself and not by his authorised representative or any power of attorney holder or agent.

Powers of Board

254. The Board may exercise all such powers of the Company and do all such acts, and things as are not, by the Act and Applicable Law made thereunder, or any other Act, or by the Memorandum, or by these Articles of the Company, required to be exercised by the Company in General Meeting subject nevertheless to these Articles, to the provisions of the Act and the Applicable Law made thereunder, or any other Act and to such regulations being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Company in General Meeting; but no regulations made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

255. The Directors may make such arrangements as may be thought fit for the management of the Company's affairs abroad and may for this purpose (without prejudice to the generality of their powers) constitute a committee, appoint attorneys and agents and fix their remuneration and delegate them such powers as may be deemed requisite or expedient. The Company may have for use abroad such official seal as the Board may lay down. Such seal shall be affixed by the authority and in the presence of and the instruments sealed therewith shall be signed by such persons as the Directors shall from time to time by writing under the Seal appoint. The Company may also exercise the powers of keeping foreign registers as provided by the Act.

256. The Board may, subject to Applicable Law, also give a loan to a Director or any entity in which the Director is interested. Where any sum of money is payable by a Director, the Board may allow such time for payment of the said money as is acceptable within customary periods for payment of similar money in contemporaneous commercial practice. Grant of such period for payment shall not be deemed to be a "loan" or grant of time for the purpose of sec 180 (1) (d) of the Act and Applicable Law.

257. a. The Board may subject to Section 186 of the Act and provisions of Applicable Law made thereunder shall by means of unanimous resolution passed at meeting of Board from time to time, invest, provide loans or guarantee or security on behalf of the Company to any person or entity.
- b. Subject to the provisions of Act the Directors or any of them may guarantee the whole or any part of the loans or debts raised or incurred by or on behalf of the Company or any interest payable hereon and shall be entitled to receive such payment as consideration for the giving of any such guarantee as may be determined by the Directors with power to them to indemnify the guarantors from or against liability under their guarantees by means of a mortgage or charge on the undertaking of the Company or upon any of its property or assets or otherwise. If the Directors or any of them or any other persons, shall become personally liable for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed and mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or persons so becoming liable as aforesaid from any loss in respect of such liability.

Restriction on powers of Board

258. Board of Directors should exercise the following powers subject to the approval of Company by a Special Resolution:
- a. to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings.
 - b. to invest otherwise in trust securities the amount of compensation received by it as a result of any merger or amalgamation;
 - c. to borrow money, where the money to be borrowed, together with the money already borrowed by the Company will exceed aggregate of its paid-up share Capital and free-reserves, apart from temporary loans obtained from the Company's bankers in the ordinary course of business.
 - d. to remit, or give time for the repayment of, any debt due from a Director.

Contribution to charitable and other funds

259. The Board of Directors of a Company may contribute to bona fide charitable and other fund. A prior permission of the Company in general meeting (ordinary resolution) shall be required for if the aggregate of such contributions in a financial year exceeds 5 % (five per cent) of its average net profits for the three immediately preceding financial years.

Absolute powers of Board in certain cases

260. Without prejudice to the general powers conferred by Section 179(3) of the Act or Applicable Laws made thereunder and the last preceding Article and so as not in any way to limit or restrict those powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in these Articles or the Applicable Law, it is hereby declared that the Directors shall have the following powers; that is to say, power :
- a. To pay the costs, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.

- b. To pay any or interest lawfully payable there out under the provisions of Section 40 of the Act.
- c. To act jointly and severally in all on any of the powers conferred on them.
- d. To appoint and nominate any Person(s) to act as proxy for purpose of attending and/or voting on behalf of the Company at a meeting of any Company or association.
- e. To comply with the provisions of Applicable Law which in their opinion shall, in the interest of the Company be necessary or expedient to comply with.
- f. To make, vary and repeal bye-laws for regulation of business of the Company and duties of officers and servants.
- g. Subject to Sections 179 and 188 of the Act to purchase or otherwise acquire for the Company any property, rights or 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 and in any such purchase or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory.
- h. Subject to the provisions of the Act and Applicable Laws, to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partially, in Shares, bonds, Debentures, mortgages, or other securities of the Company, and such Shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon all or any part of the property of the Company and its uncalled Capital or not so charged;
- i. To secure the fulfilment of any contracts or engagement entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled Capital for the Company being or in such manner as they may think fit;
- j. To accept from any member, as far as may be permissible by law, a surrender of his Shares or any part thereof, on such terms and conditions as shall be agreed;
- k. To borrow or raise or secure the payment of money in such manner as the Company shall think fit and in particular buy the issue of Debenture or Debenture stock, perpetual or otherwise charged upon all or any of the Company's property (both present and future).
- l. To open and deal with current account, overdraft accounts with any bank/banks for carrying on any business of the Company.
- m. To appoint any Person (whether incorporated or not) to accept and hold in trust for the Company and property belonging to the Company, in which it is interested, or for any other purposes; and execute such deeds and do all such things as may be required in relation to any trust, and to provide for the remuneration of such trustee or trustees;
- n. To institute, conduct, defend, compound, refer to arbitration or abandon any legal proceedings by or against the Company or its officers, or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts due, and of any claim or demands by or against the Company.
- o. To refer any claims or demands or differences by or against the Company or to enter into any contract or agreement for reference to arbitration, and observe, enforce, perform, compound or challenge such awards and to take proceedings for redressal of the same.;

- p. To act as trustees in composition of the Company's debtors and/or act on behalf of the Company in all matters relating to bankrupts and insolvents;
- q. To make and give receipts, releases and other discharges for moneys payable to the Company and for the claims and demands of the Company.
- r. Subject to the provisions of Sections 179 and 186 of the Act, to invest and deal with any moneys of the Company not immediately required for the purpose thereof upon such security (not being Shares of this Company), or without security and in such manner as they think fit, and from time to time to vary the size of such investments. Save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name;
- s. 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 whether as principal or surety, for the benefit of the Company, such mortgages of the Company's property (present or future) as they think fit, and any such mortgage may contain a power of sale and such other powers, provisions, covenants and agreements as shall be agreed upon.
- t. To determine from time to time who shall be entitled to sign, on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividends, warrants, releases, contracts and documents and to give the necessary authority for such purpose;
- u. Subject to provisions of Applicable Law, to give a Director or any officer or any other person whether employed or not by the Company, Share or Shares in the profits of the Company, commission on the profits of any particular business or transaction; and to charge such bonus or commission as part of the working expenses of the Company;
- v. To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons by building or contributing to the building of houses, dwellings or by grants of money, pension, gratuities, allowances, bonus or other payments, 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 instructions and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit;
- w. 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 or otherwise;
- x. Before recommending any Dividend, to set aside out of the profits of the Company such sums as they may think proper for depreciation or to Depreciation Fund, or to an Insurance Fund, or as a Reserve Fund, or Sinking fund, or any Special Fund to meet contingencies or to repay Debentures or Debenture stock, or for special dividends or for equalized dividends or for repairing, improving, extending and maintaining any of the property of the Company or for such other purpose (including the purposes referred to in the preceding clause), as the Board may, in their absolute discretion, think conducive to the interest of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as required to be invested upon such investments (other than Shares of the Company) as they may think fit, and from time to time to deal with and vary such investments and dispose of and apply and expand all or any part thereof for the benefit of the Company, in such manner and for such purpose as the Board in their absolute discretion think conducive to the interest of the Company, notwithstanding that the matters to which the Board apply or upon which they expend the

same, or any part thereof, may be matters to or upon which the capital moneys of the Company might rightly be applied or expended; and to divide the reserve into such special Funds as the Board may think fit, with full power to transfer the whole, or any portion of a Reserve Fund or division of a Reserve Fund to another Reserve Fund or division, of a Reserve Fund and with full power to employ the assets constituting all or any of the above Funds, including the Depreciation Fund, in the business of the Company or in the purchase or repayment of Debentures or Debenture stock, and without being bound to keep the same, separate from the other assets, and without being bound to pay interest on the same with power, however, to the Board at their discretion to pay or allow to the credit of such funds interest at such rate as the Board may think proper.

- y. Subject to the provisions of the Act to appoint, and at their discretion remove or suspend such general managers, managers, secretaries, assistants, supervisor, clerks, agents and servants of permanent, temporary or special services as they may for time to time think fit, and to determine their powers and duties and fix their salaries or emoluments or remuneration, and to require security in such instances and to such amount as they may think fit also from time to time provide for the management and transaction of the affairs of the Company in any specified locality in India, or elsewhere in such manner as they think fit; and the provisions contained in the four next following sub-clauses shall be without prejudice to the general powers conferred by this sub-clause.
- z. To comply with the requirements of any local law which in their opinion it shall, in the interest of the Company, be necessary or expedient to comply with;
- aa. Subject to applicable provisions of the Act and Applicable Law made thereunder, to appoint purchasing and selling agents for purchase and sale of Company's requirement and products respectively.
- bb. From time to time and at any time to establish any committee for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any persons to the members of such committee and to fix their remuneration.
- cc. Subject to Section 179 & 180 of the Act from time to time and at any time, delegate to any person so appointed any of the powers, authorities and discretion for the time being vested in the Board, and to authorise the Members for the time being of any such committee, 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 Board may think fit, and the Board may at any time remove any person so appointed, and may annul or vary any such delegation.
- dd. At any time and from time to time by power of attorney under the Seal of the Company, to appoint any person or persons to be the Attorney or Attorneys of the Company, for such purposes and with such powers, authorities and discretion (not exceeding those vested in or exercisable by the Board under These Presents and subject to sections 179 and 180 of the Act) and for' such period and subject to such conditions as the Board may from time to time think fit; and any such appointment may (if the Board thinks fit) be made in favour of the members or any of the Members of any committee, established as aforesaid or in favour of any Company, or the Shareholders, Directors, nominees or managers of any Company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly by the Board and any such power of Attorney may contain such powers for the protection or convenience of persons dealing with such attorneys as the Board may think fit and may contain powers enabling any such delegates or attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretions for the time being vested in them;

- ee. Subject to Sections 184 and 188 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company to enter into all such contracts, agreements and to execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient;
- ff. Subject to the provisions of the Act, the Board may pay such remuneration to Chairperson / Vice Chairperson of the Board upon such conditions as they may think fit.
- gg. To take insurance of any or all properties of the Company and any or all the employees and their dependants against any or all risks.
- hh. To take insurance on behalf of its managing Director, whole-time Director, manager, Chief Executive Officer, Chief Financial Officer or Company Secretary or any officer or employee of the Company for indemnifying any of them against any liability in respect of any negligence, default, misfeasance, breach of duty or breach of trust for which they may be guilty in relation to the Company.

Establishment of vigil mechanism

- 261. Company shall establish a vigil mechanism for their Directors and employees to report their genuine concerns or grievances. The audit committee shall oversee the vigil mechanism. The vigil mechanism shall provide for adequate safeguards against victimisation of employees and Directors who avail of the vigil mechanism and also provide for direct access to the Chairperson of the audit committee, in exceptional cases. In case of repeated frivolous complaints being filed by a Director or an employee, the audit committee may take suitable action against the concerned Director or employee including reprimand.

MANAGING DIRECTOR

Board may appoint Managing Director(s)

- 262. Subject to the provisions of the Act and of these Articles, the Board shall have power to appoint from time to time any of its member or members as Managing Director(s) of the Company for fixed term not exceeding five years at a time and upon such terms and conditions as the Board thinks fit and subject to the provisions of these Articles the Board may by resolution vest in such Managing Director(s) such of the powers hereby vested in the Board generally as it thinks fit, and such powers may be made exercisable for such period or periods and upon such conditions and subject to such restrictions as it may determine. Additionally, the Managing Director may from time to time authorise any employee of the Company by executing a power of attorney or otherwise for such matters as he may deem fit in the best interests of the Company.
- 263. Subject to the article above, the powers conferred on the Managing Director shall be exercised for such objects and purpose and upon such terms and conditions and with such restrictions as the Board may think fit and it may confer such powers either collateral with or to the exclusion of and in substitution of all or any of the powers of the Board in that behalf and may from time to time revoke, withdraw, alter or vary all or any of such powers. The Managing Director shall not exercise any powers under Section 179 of Act except such powers which can be delegated under the Act and specifically delegated by a resolution of the Board.

Restriction on Management

- 264. The Board of Directors may, subject to Section 179 of the Act, entrust to and confer upon a Managing or whole time Director any of the powers exercisable by them, upon such terms and

conditions and with such restrictions, as they may think fit and either collaterally with or to the exclusion of their own powers and may, from time to time, revoke, withdraw or alter or vary all or any of such powers.

Remuneration to Managing Directors/ whole time directors

265. A Managing or whole time director may be paid such remuneration, whether by way of monthly payment, fee for each meeting or participation in profits, or by any or all these modes, or any other mode not expressly prohibited by the Act, as the Board of Directors may determine.

CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER

266. Subject to the provisions of the Act and Applicable Law,—

- a. A chief executive officer, manager, company secretary or chief financial officer may be appointed at a Board Meeting for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution at a Board Meeting;
- b. A Director may be appointed as chief executive officer, manager, company secretary subject to provisions of Section 203 of the Act. The Board may also designate the head of the financial function as the chief financial officer of the Company.
- c. An individual may be appointed as the chairperson of the Company as well as the Managing Director or chief executive officer of the Company at the same time on such occasions as the Board may decide.
- d. The functions of a company secretary shall be in accordance with Section 205 of the Act and other Applicable Law.
- e. Subject to the article above, the powers conferred on the chief executive officer shall be exercised for such objects and purpose and upon such terms and conditions and with such restrictions as the Board may think fit and it may confer such powers either collateral with or to the exclusion of and in substitution of all or any of the powers of the Board in that behalf and may from time to time revoke, withdraw, alter or vary all or any of such powers.
- f. The chief executive officer shall not exercise any powers under Section 179 of Act except such powers which can be delegated under the Act and specifically delegated by a resolution of the Board.

POWER TO AUTHENTICATE DOCUMENTS

267. Any Director or company secretary or any officer appointed by the Board for the purpose shall have power to authenticate any document relating to the constitution of the Company and any books, records, documents and accounts relating to the business of the Company and to certify copies or extracts thereof.

268. Document purporting to be a copy of resolution of the Board or an extract from the minutes of meeting of the Board which is certified as such in accordance with the provisions of the last preceding Article shall be conclusive evidence in favour of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed or, as the case may be that extract is a true and accurate records of a duly constituted meeting of the Directors.

THE SEAL

269. The Board shall provide a Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given. The Company shall also be at liberty to have an official Seal for use in any territory, district or place outside India.

270. The Seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a Committee of the Board authorised by it in that behalf, and except in the presence of such Directors and the company secretary or such other person as the Board may specify/appoint for the purpose; and the Director and the company secretary or other person aforesaid shall sign every instrument to which the Seal of the Company is so affixed in their presence. The Board shall provide for the safe custody of the Seal.

MANAGEMENT OUTSIDE INDIA AND OTHER MATTERS

271. Subject to the provisions of the Act the following shall have effect:

- a. The Board may from time to time provide for the management of the affairs of the Company outside India (or in any specified locality in India) in such manner as it shall think fit and the provisions contained in the four next following paragraphs shall be without prejudice to the general powers conferred by this paragraph.
- b. Subject to the provisions of the Act, the Board may at any time establish any local Directorate for managing any of the Delegation. affairs of the Company outside India, and may appoint any person to be member of any such local Directorate or any manager or agents and may fix their remuneration and, save as provided in the Act, the Board may at any time delegate to any person so appointed any of the powers, authorities and discretions for the time being vested in the Board and such appointment or delegation may be made on such terms and subject to such conditions as the Board may think fit and the Board may at any time remove any person so appointed and annual or vary any such delegations.
- c. The Board may, at any time and from time to time by power of attorney under Seal, appoint any person to be the attorney of the Company for such purposes and with such powers, authorities and discretions not exceeding those which may be delegated by the Board under the Act and for such period and subject to such conditions as the Board may, from time to time, thinks fit, and such appointments may, if the Board thinks fit, be made in favour of the members or any of members of any local directorate established as aforesaid, or in favour of the Company or of the members, Directors, nominees or officers of the Company or firm or in favour of any person whether nominated directly or indirectly by the Board, and any such power of attorney may contain such provisions for the protection or convenience of persons dealing with such attorneys as the Board thinks fit.

- d. Any such delegate or Attorney as aforesaid may be authorized by the Board to sub-delegate all or any of the powers, authorities and discretions for the time being vested in them.
- e. The Company may exercise the power conferred by the Act with regard to having an Official Seal for use abroad, and such powers shall be vested in the Board, and the Company may cause to be kept in any state or country outside India, as may be permitted by the Act, a Foreign Register of Member or Debenture holders residents in any such state or country and the Board may, from time to time make such regulations not being inconsistent with the provisions of the Act, and the Board may, from time to time make such provisions as it may think fit relating thereto and may comply with the requirements of the local law and shall in any case comply with the provisions of the Act.

DIVIDENDS AND RESERVE

Division of profits

272. The profits of the Company, subject to any special rights as to dividends or authorized to be created by these Articles, and subject to the provisions of these Articles shall be divisible among the members in proportion to the amount of Capital paid-up on the shares held by them respectively.

The Company in General Meeting may declare a Dividend

273. The Company in Annual General Meeting may declare Dividends to be paid to Members according to their respective rights, but no Dividend shall exceed the amount recommended by the Board; the Company in general meeting may, however declare a smaller Dividend. No Dividend shall bear interest against the Company.

Dividend only to be paid out of profits

274. The Dividend can be declared and paid only out of the following profits;

- a. Profits of the financial year, after providing depreciation as stated in Section 123(2) read with Schedule II and Applicable Laws.
- b. Accumulated profits of the earlier years, after providing for depreciation u/s 123(2) read with Schedule II and Applicable Laws.
- c. Out of money provided by Central or State Government for payment of Dividend in pursuance of a guarantee given by the Government.
- d. No dividend shall be declared or paid by the Company for any financial year except out of the profits of the company for that year arrived at after providing for depreciation or out of the profits of the Company for any previous financial year or years arrived at after providing for depreciation in accordance with the provisions of the Act and remaining undistributed, or out of both or out of such other money as may be permitted.

Transfer to reserve

275. The Board may, before recommending any Dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit.

276. Such reserve, being free reserve, may also be used to declare dividends in the event the Company has inadequate or absence of profits in any financial year, in accordance to Section 123 of the Act and Applicable Law made in that behalf. The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

Interim Dividend

277. Subject to the provisions of Section 123 of the Act and Applicable Law, the Board may from time to time pay to the Members such interim dividends as appear to it to be justified by the profits of the Company.

Calls in advance not to carry rights to participate in profits

278. Where Capital is paid in advance of calls such Capital may carry interest but shall not in respect thereof confer a right to Dividend or participate in profits.

Payment of pro rata Dividend

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

Deduction of money owed to the Company

280. The Board may deduct from any Dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.

Rights to Dividend where shares transferred

281. A transfer of Share shall not pass the right to any Dividend declared thereon before the registration of the transfer.

Dividend to be kept in abeyance

282. The Board may retain the dividends payable in relation to such Shares in respect of which any person is entitled to become a Member by virtue of transmission or transfer of Shares and in accordance sub-Section (5) of Section 123 of the Act or Applicable Law. The Board may also retain dividends on which Company has lien and may apply the same towards satisfaction of debts, liabilities or engagements in respect of which lien exists.

Notice of Dividend

283. Notice of any Dividend that may have been declared shall be given to the persons entitled to Share therein in the manner mentioned in the Act.

Manner of paying Dividend

284. Any Dividend, interest or other monies payable in cash in respect of shares may be paid by any Electronic Mode to the shareholder entitled to the payment of the Dividend, or by way of cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

285. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent and the payment of every cheque or warrant sent under these Articles, shall, if such cheque or warrant purports to be duly endorsed, be a good discharge to the Company in respect thereof. The Company shall not be liable or responsible for any cheque or Warrant or pay-slip or receipt lost in transmission, or for any Dividend lost to the member of person entitled thereto by the forged endorsement of any cheque or warrant or the forged signature of any pay-slip or receipt or the fraudulent recovery of the Dividend by any other means.

Receipts for Dividends

286. Any one of two or more joint holders of a Share may give effective receipts for any dividends, bonuses or other monies payable in respect of such Share.

Non-forfeiture of unclaimed Dividend

287. No unclaimed Dividend shall be forfeited by the Board unless the claim thereto becomes barred by law and the Company shall comply with the provision of the Act and Applicable Law in respect of all unclaimed or unpaid dividends.

ACCOUNTS

Directors to keep true accounts

288. The Company shall keep at the registered office or at such other place in India as the Board thinks fit, proper books of account and other relevant books and papers and financial statement for every financial year in accordance with Section 128 of the Act.

289. Where the Board decides to keep all or any of the Books of Account at any place in India other than the registered office of the Company the Company shall within seven days of the decision file with the Registrar a notice in writing giving, the full address of that other place.

290. The Company shall preserve in good order the books of account relating to the period of not less than eight years preceding the current year together with the vouchers relevant to any entry in such Books of Account.

291. Where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with the preceding Article if proper Books of Account relating to the transactions effected at the branch office are kept at the branch office and proper summarized returns made up to date at intervals of not more than three months are sent by the branch office to the Company at its registered office or at any other place in India, at which the Company's Books of Account are kept as aforesaid.

292. The books of account shall give a true and fair view of the state of affairs of the Company or branch office, as the case may be, and explain its transactions effected both at the registered office and its branches and such books shall be kept on accrual basis and according to the double entry system of accounting. The Books of Account and other books and papers shall be open to inspection by any Directors during business hours.

Preparation of revised financial statements or Boards' Report

293. Subject to the provisions of Section 131 of the Act and the Applicable Law made thereunder, the Board may require the preparation of revised financial statement of the Company or a

revised Boards' Report in respect of any of the three preceding financial years, if it appears to them that (a) the financial statement of the Company or (b) the report of the Board do not comply with the provisions of Section 129 or Section 134 of the Act.

Inspection of accounts

No member (not being a Director) shall have any right of inspecting any books of accounts or documents of the Company except as conferred by law or authorised by the Board or by the Company in General Meeting.

AUDIT

Auditors to be appointed

294. Statutory Auditors and Cost Auditors, if any, shall be appointed and their rights and duties regulated in accordance with Sections 139 to 148 of the Act and Applicable Laws. Where applicable, a Secretarial Auditor shall be appointed by the Board and their rights and duties regulated in accordance with Sections 204 of the Act and Applicable Laws.
295. Subject to the provisions of Section 139 of the Act and Applicable Laws made thereunder, the Statutory Auditors of the Company shall be appointed for a period of five consecutive years, subject to ratification by members at every annual general meeting. Provided that the Company may, at a General Meeting, remove any such Auditor or all of such Auditors and appoint in his or their place any other person or persons as may be recommended by the Board, in accordance with Section 140 of the Act or Applicable Laws.

Remuneration of Auditors

296. The remuneration of the Auditors shall be fixed by the Company in Annual general meeting or in such manner as the Company in general meeting may determine.

DOCUMENTS AND NOTICES

Service of documents and notice

297. A document or notice may be served or given by the Company on any member either personally or sending it by post to him to his registered address or (if he has no registered address in India) to the address, if any, in India supplied by him to the Company for serving documents or notices on him or by way of any electronic transmission, as prescribed in Section 20 of the Act and Applicable Law made thereunder.
298. Where a document or notice is sent by post, services of the document or notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the document or notice, provided that where a member has intimated to the Company in advance that documents or notices should be sent to him under a certificate of posting or by registered post with or without acknowledgment due and has deposited with the Company a sum sufficient to defray the expenses of the doing so, service of the documents or notice shall not be deemed to be effected unless it is sent in the manner intimated by the member and such service shall be deemed to have been effected in the case of Notice of a meeting, at the expiration of forty-eight hours after the letter containing the document or notice is posted and in any other case at the time at which the letter would be delivered in the ordinary course of post.

Notice to whom served in case of joint shareholders

299. A document or notice may be served or given by the Company on or given to the joint-holders of a Share by serving or giving the document or notice on or to the joint-holders named first in the Register of Members in respect of the Share.

Notice to be served to representative

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

Service of notice of General Meetings

301. Documents or notices of every General Meeting shall be served or given in the same manner hereinbefore on or to (a) every member of the Company, legal representative of any deceased member or the assignee of an insolvent member, (b) every Director of the Company and (c) the Auditor(s) for the time being of the Company.

Members bound by notice

302. Every person who, by operation of law, transfer or other means whatsoever, shall become entitled to any Share, shall be bound by every document or notice in respect of such shares, previously to his name and address being entered on the Register of Members, shall have been duly served on or given to the person from whom he derives his title to such shares.

Documents or notice to be signed

303. Any document or notice to be served or given by the Company may be signed by a Director or the company secretary or any person duly authorised by the Board of Directors for such purpose.

Notice to be served by post or other electronic means

304. All documents or notices to be served or given by members on or to the Company or any office thereof shall be served or given by sending it to the Company or officer at the office by post under a certificate of posting or by registered post, or by leaving it at the office or by such other electronic means as prescribed in Section 20 of the Act and the Applicable Law made thereunder.

Admissibility of micro films, computer prints and documents to be treated as documents and evidence

305. Any information in the form of a micro film of a document or image or a facsimile copy or any statement in a document included in a printed material produced by a computer shall be deemed to be a document and shall be admissible in any proceedings without further production of original, provided the conditions referred in Section 397 are complied with.

306. All provisions of the Information Technology Act, 2000 relating to the electronic records, including the manner and format in which the electronic records shall be filed, in so far as they are consistent with the Act, shall apply to the records in electronic form under Section 398 of the Act.

WINDING UP

307. Subject to the provisions of Chapter XX of the Act and Applicable Law made thereunder—

307.1 If the Company shall be wound up, the liquidator may, with the sanction of a Special Resolution of the Company and any other sanction required by the Act, but subject to the rights attached to any preference share capital, divide among the contributories in specie 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 trusts for the benefit of the contributories as the Liquidator, with the like sanction shall think fit.

307.2 For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

307.3 The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

BONAFIDE EXERCISE OF MEMBERSHIP RIGHTS

308. Every Member and other Security holder will use rights of such Member/ security holder as conferred by Applicable Law or these Articles bonafide, in best interest of the Company or for protection of any of the proprietary interest of such Member/security holder, and not for extraneous, vexatious or frivolous purposes. The Board shall have the right to take appropriate measures, and in case of persistent abuse of powers, expulsion of such Member or other Security holder, in case any Member/Security holder abusively makes use of any powers for extraneous, vexatious or frivolous purposes.

INDEMNITY

309. For the purpose of this Article, the following expressions shall have the meanings respectively assigned below:

- a. **"Claims"** means all claims for fine, penalty, amount paid in a proceeding for compounding or immunity proceeding, actions, prosecutions, and proceedings, whether civil, criminal or regulatory;
- b. **"Indemnified Person"** shall mean any Director, officer or employee of the Company, as determined by the Board, who in bonafide pursuit of duties or functions or of honest and reasonable discharge any functions as a Director, officer or employees, has or suffers any Claims or Losses, or against whom any Claims or Losses are claimed or threatened;
- c. **"Losses"** means any losses, damages, cost and expense, penalties, liabilities, compensation or other awards, or any settlement thereof, or the monetary equivalent of a non-monetary suffering, arising in connection with any Claim;

310. *Indemnification*

- a. Where Board determines that any Director, officer or employee of the Company should be an Indemnified Person herein, the Company shall, to the fullest extent and without prejudice to any other indemnity to which the Indemnified Person may otherwise be entitled, protect, indemnify and hold the Indemnified Person harmless in respect of all Claims and Losses, arising out of, or in connection with, the actual or purported exercise of, or failure to exercise; any of the Indemnified Person's powers, duties or

responsibilities as a Director or officer of the Company or of any of its subsidiaries, together with all reasonable costs and expenses (including legal and professional fees).

- b. The Company shall further indemnify the Indemnified Person and hold him harmless on an 'as incurred' basis against all legal and other costs, charges and expenses reasonably incurred in defending Claims including, without limitation, Claims brought by, or at the request of, the Company and any investigation into the affairs of the Company by any judicial, governmental, regulatory or other body.
- c. The indemnity herein shall be deemed not to provide for, or entitle the Indemnified Person to, any indemnification against:

310.3.1 Any liability incurred by the Indemnified Person to the Company due to breach of trust, breach of any statutory or contractual duty, fraud or personal offence of the Indemnified Person;

310.3.2 Any liability arising due to any benefit wrongly availed by the Indemnified Person;

310.3.3 Any liability on account of any wrongful information or misrepresentation done by the Indemnified Person

310.3.4 The Indemnified Person shall continue to be indemnified under the terms of the indemnities in this Deed notwithstanding that he may have ceased to be a Director or officer of the Company or of any of its subsidiaries.

SECRECY

- 311. Every manager, Auditor, trustee, member of a committee, officer, servant, agent, accountant or other person employed in the business of the Company shall, if so required by the Board of Directors, before entering upon the duties, sign a declaration pledging himself to observe strict secrecy respecting all bonafide transactions of the Company with its customers and the state of accounts with individuals and in matters relating thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge In the discharge of his duties except when required to do so by the Directors or by any General Meeting or by the law of the country and except so far as maybe necessary in order to comply with any of the provisions in These Presents and the provisions of the Act.
- 312. Subject to the provisions of these Articles and the Act no member, or other person (not being a Director) shall be entitled to enter the property of the Company or to inspect or to examine the Company's premises or properties of the Company without the permission of the Directors or to require discovery of or any information respecting any detail of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Directors it will be expedient in the interest of the Company to communicate.

We, the several persons whose names and addresses are subscribed below, are desirous of being formed into a Company in pursuance of this Articles of Association: -

Name, Father's Name, Address and occupations of Subscribers	Signature of the Subscribers	Name, Father's Name, Address and Occupation of Witness
GREENPLY INDUSTRIES LTD. Director- Shiv Prakash Mittal Makum Road, Tinsukia Assam – 786125	Sd/- Shiv Prakash Mittal	Witness to all the Signatories: Sd/- NAVEEN KUMAR DHANDARIA S/o. Dindayal Dhandaria C/o. D. DHANDARIA & COMPANY Thana Road, Tinsukia – 786125 (ASSAM) Chartered Accountant in practice ICAI Membership No. : 061127
SHIV PRAKASH MITTAL S/o. Late Sanwormal Palriwal R/o. Flat No. 2 NW, 5 Queens Park Kolkata – 700019 Occupation - Business	Sd/- Shiv Prakash Mittal	
SANTOSH MITTAL D/o. Late Biswanath Modi R/o. Flat No. 2 NW, 5 Queens Park Kolkata – 700019 Occupation - Business	Sd/- Santosh Mittal	
RAJESH MITTAL S/o. Late Sanwormal Palriwal R/o. 13, Raja Santosh Road Kolkata -700027 Occupation - Business	Sd/- Rajesh Mittal	
SHOBHAN MITTAL S/o. Sri Shiv Prakash Mittal R/o. 4 Cherry Lane, DLF, Chattarpur Farms Meharauli, New Delhi - 110074 Occupation - Business	Sd/- Shobhan Mittal	
SAURABH MITTAL S/o. Sri Shiv Prakash Mittal R/o. 66, Anand Lok, Khel Gaon Road New Delhi - 110049 Occupation - Business	Sd/- Saurabh Mittal	
PARUL MITTAL D/o. Sri Indraj Singh R/o. 66, Anand Lok, Khel Gaon Road New Delhi - 110049 Occupation - Service	Sd/- Parul Mittal	

Tinsukia, Assam, Dated the 2nd day of August, 2013



THE GAUHATI HIGH COURT AT GUWAHATI
(The High Court Of Assam, Nagaland, Mizoram and Arunachal Pradesh)
PRINCIPAL SEAT AT GUWAHATI

CASE NO : Co.Pet. 17/2014

District : Tinsukia

Category : 10203 (Company Petitions)

1 GREENPLY INDUSTRIES LTD & ANR
HAVING ITS REGISTERED OFFICE AT MAKUM ROAD,
TINSUKIA, ASSAM,
PIN- 786125,

Petitioner/appellant/applicant

Versus

1 X X X

Respondent/Opp. Party

Advocates on record for Petitioner/appellant

1 MR. J ROY
2 MR. R HAZARIKA
3 MR. S SARMA
4 MR. S BARTHAKUR
5 MS. C CHAKRABORTY
6 MS. S KAKOTI

Advocates on record for Respondents

CERTIFIED COPY OF JUDGEMENT / ORDER

BEFORE
THE HON'BLE MR JUSTICE HRISHIKESH ROY

DATE OF ORDER : 31/10/2014

1. Heard Mr. J Roy, alongwith Mr. Raghav Mathur & Puneet Singh Bindra learned Counsel for the Petitioner Companies. Also heard Mr .S.C. Keyal, Ld. Assistant Solicitor General.

2. This is a petition under Section 100 to 104 read with Sections 391 to 394 of the Companies Act 1956 filed by the petitioner companies i.e. Greenply Industries Limited (Demerged Company or Transferor Company) & Greenlam Industries Limited (Resulting Company or Transferee Company) for sonction of the Composite Scheme of



Arrangement between the Petitioner Companies and their respective members and creditors for demerger of decorative business (the Demerged Undertaking) of the Greenply Industries Limited to Greenlam Industries Limited together with assets and liabilities relating to such undertaking.


3. By the order of this Court dated 16.07.2014 and on perusal of the petition for confirmation of the Composite Scheme of Arrangement in Form No.40, this petition was fixed for hearing on 04.09.2014 and notices were ordered to be advertised in "The Assam Tribune" and "The Amar Asom", Guwahati, not less than fourteen days before the date fixed for hearing and also on the Central Government through the Regional Director, Eastern Region, Ministry of Corporate Affairs, and the Registrar of Companies, Shillong not less than 28 clear days before the date fixed for hearing, as required under Sections 391 to 394 of the Companies Act read with Form No.6 in the Companies (Court) Rules.

4. Mr. J. Roy, the learned Counsel appearing for the Petitioner Companies states that all the aforesaid directions have been faithfully complied with and the notices have been served on all the parties, including the Regional Director and Registrar of Companies and the same has been duly published in the newspapers, "The Assam Tribune" and "The Amar Asom".

5. Mr. S.C Keyal, the learned Counsel appearing for the Regional Director- states that the Central Government observes the following:

(a) The details of assets and liabilities and the values of the demerged undertaking i.e. "Decorative Business" of the demerged company proposed to be transferred to the resulting company have not been mentioned in the Scheme. However the Petitioner No.1 company has furnished the details alongwith the letter dated 25/08/14. Therefore, the same should be made a part of the Scheme.

(b) Greenlam will be allowed to issue and allot equity shares only after




increase of its Authorised Share Capital and after compliance with the relevant provisions of the Companies Act, 2013 and filing of requisite forms and payment of requisite fee to the office of Registrar of Companies. The Petitioner companies may be directed to amend the clause 8.13 of the Part 3 of the Scheme to insert the sentence "subject to compliance of the requirement of relevant provisions of the Companies Act 2013" in the last line of the said para of the Scheme.

(c) The clause 9 of the part 3 of the Scheme speaks about the accounting treatment to be made in the books of the Petitioner companies respectively on the approval of the Scheme. Further, para 9.2 (b) states that "The difference between Net worth of the Demerged Undertaking and the paid up share capital of Demerged Undertaking as issued in pursuance of this Scheme, netted by existing share capital cancelled in terms of this Scheme, shall be treated as Free Reserves as on the Appointed Date". This accounting treatment is not correct since the gain, if arising out of such arrangement, is not out of operational activities of the company and thus can not be treated as Free Reserve. The nature of such gain is Capital Profit. Therefore, the said para should be modified so that the para reads "Capital Reserve" in place of Free Reserves and similarly clause 9.2 (c)(iii) of the scheme should be amended by stating "Capital Reserve" in place of General Reserve.

(d) The para 4.5 of para 3 of the Scheme provides that:

"subject to the para above, if any creditor has any charge, security interest, lien, statutory lien or statutory charge on any of the assets or properties of Demerged Undertaking of Greenply, such creditor shall continue to enjoy and hold such charge, lien or security interest upon the properties of Demerged Undertaking in Greenlam"

As this para speaks about the transfer of the secured creditors of the demerged undertaking of the demerged company to the resulting company, the charge in relation thereto cannot be shifted to e-records of the resulting company as there is no such facility in the MCA 21



system to transfer the charge documents (e-forms) of one company to another company. Therefore, this court may kindly direct the demerged company to satisfy existing charge of Demerged Undertaking by filing form no. CHG 4 in the office of Registrar of Companies and Resulting Company be directed to create new charge by filing form no. CHG 1 before the scheme is approved.

6. The learned counsel for the Petitioner Companies states that the Petitioner companies do not contest the observations in points 2(a), 2(b), 2(c) and 2(d) in the affidavit made by the Regional Director and will comply with the same in letter and spirit.

7. However, with respect to the observation in (d), Mr. J. Roy submits that the Petitioners shall take all requisite steps upon the coming into effect of the Scheme to file the requisite forms i.e. CHG 4, CHG 1 and any other form, if any, with respect to the creation / modification / satisfaction of charges, as the case may be, in favour of the various creditors of the Demerged Company and Resulting Company respectively in terms of the applicable provisions of the Companies Act, 2013. Till such time the above mentioned forms are filed with the Registrar of Companies, the creditors of the Demerged Company shall continue to hold their respective charge over the Demerged Undertaking. This fact has also been mentioned by the Petitioners in clause 4.5 of the Scheme.

8. This court has considered the observations and the submissions of the Regional director and the counsel for the Petitioners.

9. In view of the above observations and undertaking given, the submissions of the Petitioner companies are accepted. Therefore it is considered expedient that the prayer for approval/sanction of the Composite Scheme of Arrangement be granted. Accordingly there will be an order in terms of prayer no. (d) of the Petition for sanction of the Composite Scheme of Arrangement.



10. Let the Registrar General draw up necessary orders in Form No.42 under the Companies (Court) Rules, 1959.

11. The case is disposed of with the above orders.

Sd/-
Justice Hrishikesh Roy.
Judge

DATE OF FILING APPLICATION	DATE WHEN COPY WAS READY	DATE OF DELIVERY	FEES PAID
01/11/2014	01/11/2014	01/11/2014	Rs. 100.00

Serial No.: 294389

Date: 01.11.2014

²⁹ 01.11.2014
COMPARING ASSISTANT

CERTIFIED TRUE COPY

Lander Osh

Date: 01/11/2014

Admin. Officer, Registrar General

Company (Court) Rules, 1959

Registrar General, Companies (Court) Rules, 1959

**COMPOSITE SCHEME OF ARRANGEMENT
(UNDER SECTIONS 100 TO 104 AND 391 TO 394 OF THE COMPANIES ACT, 1956)**

BETWEEN

GREENPLY INDUSTRIES LIMITED

AND

GREENLAM INDUSTRIES LIMITED

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

FOR

**DEMERGER OF DEMERGED UNDERTAKING OF GREENPLY INDUSTRIES
LIMITED (AS DEFINED HEREIN) TO GREENLAM INDUSTRIES LIMITED**

PARTS OF THE SCHEME:

This Composite Scheme of Arrangement is divided into the following parts:

PART-1: Preliminary – Definitions.

PART-2: Share Capital and Rationale.

PART-3: Transfer and vesting of Demerged Undertaking of Greenply to
Greenlam.

PART-4: Miscellaneous.

PART-1

(Preliminary- Definitions)

1. DEFINITIONS

In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the following meanings:

- 1.1 “**Act**” means the Companies Act, 1956 or any statutory modification or re-enactment thereof read with the applicable provisions of the Companies Act, 2013.
- 1.2 “**Appointed Date**” means April 1, 2013 or such other date as the Hon’ble High Court may direct.
- 1.3 “**Board or Board of Directors**” means the respective board of directors of Greenply and Greenlam for the time being and includes a committee of directors constituted by the respective board.
- 1.4 “**Decorative Business**” shall mean the business of Greenply comprising of manufacturing and marketing of high pressure laminates, decorative veneers, compact laminates and allied product(s). Presently, Decorative Business consists of manufacturing units situated at Behror (Rajasthan) and Nalagarh (Himachal Pradesh),

marketing, branch and administrative office(s) located in India and subsidiaries/step-down subsidiaries viz. Greenlam Asia Pacific Pte. Limited (registered in Singapore), Greenlam America, Inc. (registered in USA), Greenlam Europe (UK) Limited (registered in UK), Greenlam Asia Pacific (Thailand) Co. Limited (registered in Thailand), Greenlam Holding Co. Limited (registered in Thailand), PT. Greenlam Asia Pacific (registered in Indonesia) and Greenlam VT Industries Private Limited (registered in India).

1.5 “**Demerged Undertaking**” means the whole business operations of Decorative Business of Greenply:

Without prejudice to the generality of the foregoing, the Demerged Undertaking shall mean and include all property, rights and powers and all debts, liabilities, duties and obligations of Greenply (*as defined hereinafter*) comprised in and/or pertaining to the Demerged Undertaking as on the Appointed Date, including:

- (a) All properties and assets, moveable and immovable, freehold and leasehold, real and personal, corporeal and incorporeal, in possession, or in reversion, present and contingent of whatsoever nature, wheresoever situated, as on the Appointed Date relating to the Demerged Undertaking, all other lands, buildings, commercial and residential flats and offices, plant and machinery, electrical installations, vehicles, equipment, furniture, computers, computer programmes, software, investments, sundry debtors, inventories, cash and bank balances, bills of exchange, deposits, loans and advances and other assets as appearing in the books of account of Greenply in relation to the Demerged Undertaking;
- (b) Leases, tenancies and agencies of Greenply pertaining to the Demerged Undertaking, and all other interests or rights in or arising out of or relating to the Demerged Undertaking together with all respective powers, interests, charges, privileges, benefits, entitlements, industrial and other licenses, registrations, quotas, information technology, patents, copyrights, trademarks, brand names, websites, other intellectual property rights, liberties, easements and advantages, subsidies, grants, taxes, share of advance tax and MAT credits (including but not limited to credits in respect of sales tax, value added tax, turnover tax, excise duty, service tax, and other indirect taxes), deferred tax benefits and other benefits appertaining to the Demerged Undertaking and/or to which Greenply is entitled to in respect of the Demerged Undertaking of whatsoever kind, nature or description held, applied for or as may be obtained thereafter;
- (c) Right to use and avail of telephones, telefaxes, facsimile connections and installations, utilities, electricity and other services, provisions, funds, benefit of all agreements, contracts and arrangements and all other interests in connection with or relating to the Demerged Undertaking;
- (d) All earnest money and/or security deposits paid by Greenply in connection with or relating to the Demerged Undertaking;
- (e) The benefit of all respective contracts and engagements and all respective books, papers, documents computer programs, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information and records relating to the Demerged Undertaking;

- (f) All debts, liabilities, duties and obligations of Greenply in relation to the Demerged Undertaking as appearing in the books of account of Greenply as on the Appointed Date, including liabilities on account of secured loans, unsecured loans, and sundry creditors and bonus, gratuity, and other employee benefits pertaining to the Demerged Undertaking;
 - (g) All contracts, deeds, bonds, agreements and other instruments, of whatsoever nature and pertaining to the Demerged Undertaking to which Greenply is a party, subsisting or having effect immediately on the Appointed Date;
 - (h) All legal proceedings of whatsoever nature by or against Greenply pending on the Appointed Date and relating to the Demerged Undertaking (including property, rights, powers, liabilities, obligations and duties); and
 - (i) All employees of Greenply engaged in or in relation to the Demerged Undertaking as on the Effective Date.
- 1.6 “**Effective Date**” means the date or last of the dates on which certified copies of the order of Hon’ble Gauhati High Court sanctioning this Scheme are filed with the Registrar of Companies, Shillong by Greenply and Greenlam.
- 1.7 “**Greenlam**” means Greenlam Industries Limited, a company incorporated under the provisions of the Act and having its registered office at Makum Road, Tinsukia, Assam – 786 125 which is a wholly-owned subsidiary of Greenply Industries Limited since its incorporation on August 12, 2013.
- 1.8 “**Greenlam Shareholder Group**” includes Mr. Shiv Prakash Mittal, Shiv Prakash Mittal (HUF), Ms. Santosh Mittal, Mr. Saurabh Mittal, Ms. Parul Mittal and Greenply Leasing & Finance Private Limited.
- 1.9 “**Greenply**” means Greenply Industries Limited, a company incorporated under the provisions of the Act and having its registered office at Makum Road, Tinsukia, Assam - 786 125.
- 1.10 “**Greenply Shareholder Group**” includes Mr. Shiv Prakash Mittal, Mr. Rajesh Mittal, Mr. Shobhan Mittal, Mr. Sanidhya Mittal, Ms. Santosh Mittal, Ms. Karuna Mittal, Shiv Prakash Mittal (HUF), Rajesh Mittal (HUF), Prime Holdings Private Limited, S. M. Management Private Limited, Vanashree Properties Private Limited and Trade Combines.
- 1.11 “**Parties**” shall mean Greenply and Greenlam.
- 1.12 “**Record Date**” means the date to be fixed by the Board of Directors of Greenply for the purpose of determining the members of Greenply to whom new shares in Greenlam shall be allotted pursuant to para 8 of this Scheme.
- 1.13 “**Retained Undertaking**” means all the undertakings, businesses, activities, duties, debts, liabilities, obligations and operations of the Greenply other than those comprised in the Demerged Undertaking.

- 1.14 “Scheme” means this composite scheme of arrangement under Sections 100 to 104 and Sections 391 to 394 of the Act in the present form or with such modifications as sanctioned by the Hon’ble Gauhati High Court.

Word(s) and expression(s) elsewhere defined in this Scheme will have the meaning(s) respectively ascribed thereto.

PART-2 **(Share Capital and Rationale)**

2. SHARE CAPITAL

The authorized, issued, subscribed and paid-up share capital of Greenply and Greenlam as on September 30, 2013 is as under:

(i) **Greenply**

<u>Authorized Share Capital:</u>	<u>Amount in INR</u>
3,20,00,000 equity shares of INR 5.00 each	16,00,00,000.00
50,00,000 Cumulative Redeemable Preference Shares of INR 10.00 each	5,00,00,000.00
<u>Issued, Subscribed and Paid-up Share Capital:</u>	12,06,81,870.00
2,41,36,374 equity shares of INR 5.00 each	

(ii) **Greenlam**

<u>Authorized Share Capital:</u>	<u>Amount in INR</u>
20,00,000 equity shares of INR 5.00 each	1,00,00,000.00
<u>Issued, Subscribed and Paid-up Share Capital:</u>	5,00,000.00
1,00,000 equity shares of INR 5.00 each	

Since the dates mentioned above, there has been no change in the authorized, issued, subscribed and paid up share capital of Greenply and Greenlam.

3. RATIONALE

- 3.1 Greenply is a company incorporated under the provisions of the Act, having its registered office at Makum Road, Tinsukia, Assam - 786 125 and is engaged in the business of manufacturing and marketing of a wide range of interior infrastructure and surface finish products including plywood, laminates, veneers, Medium Density Fibreboard (“MDF”) and their allied products.
- 3.2 The equity shares of Greenply are listed on BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE).
- 3.3 Greenlam is a new company incorporated under the provisions of the Act, having its registered office at Makum Road, Tinsukia, Assam - 786 125 and incorporated to undertake the business as manufacturers, traders, exporters, importers, dealers,

wholesalers, retailers, service providers, commission agents, of laminates of all sizes and descriptions, veneers, pre-laminated board, decorative laminates, decorative laminated sheets, high pressure laminates, post forming laminates, decorative veneers, ready to install doors, high-end doors, high-end veneered engineering flooring and pre-laminated particle board of all kinds and descriptions and other paper based, wood based and plastic based products of all kinds and descriptions and industrial laminated sheets, compact laminates of every descriptions, post formed panels, whether laminated or not, restroom cubicles, lockers and every type of partition systems and to act as decorators and manufacturers and deal in housing furniture and fittings, interior decorators, commercial and industrial furniture and fittings and implements and tools of all descriptions and provide consultancy in total interior and exterior decoration and furniture solution.

- 3.4 The nature of technology, risk, competition and capital intensity involved in each of the undertakings of Greenply is distinct from each other. Consequently, each undertaking of Greenply is capable of addressing independent business opportunities, deploying different technologies and attracting different sets of investors, strategic partners, lenders and other stakeholders. Hence, as part of an overall business reorganisation plan, it is considered desirable and expedient to reorganise and reconstruct Greenply by demerging the Demerged Undertaking to Greenlam in the manner and on the terms and conditions contained in this Scheme.
- 3.5 The demerger is likely to enable the business and activities comprised in the Demerged Undertaking and remaining business and activities of Greenply to be pursued and carried on with greater focus and attention through two separate companies each having its own administrative set up. Independent management of each of the undertakings of Greenply will ensure required depth and focus on each of the businesses and adoption of strategies necessary for the growth of respective businesses. The structure provides independence to the management in decisions regarding the use of their respective cash flows for dividends, capital expenditure or other reinvestment in their respective businesses.
- 3.6 The demerger seeks to create a new platform for independent growth of the Decorative Business, while allowing Greenply to concentrate its growth efforts in the plywood and MDF businesses in a more focused manner thereby strengthening Greenply's and Greenlam's market leadership.
- 3.7 Pursuant to the issue and allotment of shares in terms of this Scheme, the shareholders of Greenply shall hold shares in two companies, i.e. in Greenply and in Greenlam. It gives the shareholders the ability to continue to remain invested in both or either of the two companies giving them greater flexibility in managing and/or dealing with their investments.
- 3.8 The restructuring proposal is thus aimed at protecting and maximising value for the shareholders of the Greenply. This Scheme is in the interest of the shareholders, creditors and all other stakeholders of Greenply and shall not in any manner be prejudicial to the interests of shareholders and creditors or general public at large. The restructuring under this Scheme would enable focused business approach for the maximisation of benefits to all stakeholders and capitalize on the opportunity for growth.

PART –3

(Transfer and vesting of the Demerged Undertaking of Greenply to Greenlam)

4. TRANSFER OF UNDERTAKING

4.1 With effect from the Appointed Date, without any further act, deed, instrument, matter or thing, the Demerged Undertaking shall be demerged and transferred to or shall be deemed to have been transferred to and vested in Greenlam as a going concern for all the estate and interest of Greenply therein in accordance with and subject to the modalities for transfer and vesting stipulated herein.

4.2 Transfer of movable property:

In respect of such of the assets of the Demerged Undertaking including cash and bank balances relating to the day to day operations and specific to the working of the Demerged Undertaking, as are movable in nature or otherwise capable of transfer by manual delivery, by paying over or by endorsement and delivery, the same may be so transferred by Greenply, without requiring any deed or instrument of conveyance for the same and shall become the property of Greenlam accordingly and as an integral part of the Demerged Undertaking transferred to Greenlam.

4.3 Transfer of immovable property:

In respect of such of the assets belonging to the Demerged Undertaking other than those referred to in para 4.2 above, the same shall be transferred to and vested in and/or be deemed to be transferred to and vested in Greenlam pursuant to the provisions of section 394(2) of the Act. Greenlam shall under the provisions of this Scheme be deemed to be authorized to execute any such instruments, deeds and writings on behalf of Greenply to implement or carry out all such formalities or compliances on the part of Greenply and to be carried out or performed in order to give effect to the provisions of this para. With effect from the Appointed Date, Greenlam shall be entitled to exercise all rights and privileges and be liable to pay ground rent, municipal taxes and fulfill all obligations, in relation to or applicable to such immovable properties. The mutation of title/ assignment of leases in respect of the immovable properties in the name of Greenlam shall be made and duly recorded by the appropriate authorities pursuant to the sanction of this Scheme by the Hon'ble High Court and this Scheme becoming effective in accordance with the terms hereof without any further act or deed on part of Greenlam.

4.4 Transfer of liabilities:

(a) All debts, liabilities, duties and obligations of Greenply relating to the Demerged Undertaking as on the close of business on the day immediately preceding the Appointed Date and as appearing in the books of account of Greenply in relation to the Demerged Undertaking, including proportionate amount of general and multipurpose borrowings determined in accordance with section 2(19AA) of the Income Tax Act, 1961 shall also be transferred or shall be deemed to be transferred to Greenlam, without any further act or deed, pursuant to the provisions of section 394(2) of the Act, so as to become the debts, liabilities, duties and obligations of Greenlam.

- (b) The transfer and vesting of the Demerged Undertaking, as aforesaid, shall be subject to the existing charges, mortgages and encumbrances, if any, over the assets or any part thereof which are subsisting on transfer of such assets to Greenlam and relating to the liabilities of the Demerged Undertaking which are also transferred to Greenlam. The assets transferred shall stand free from all other charges, mortgages and encumbrances.

It is clarified and provided that such charges, mortgages and/or encumbrances shall not extend over or apply to any other asset(s) of Greenlam and any reference in any security documents or arrangements (to which Greenply is a party) to any assets of Greenply shall be so construed to the end and intent that such security shall not extend, nor be deemed to extend, to any of the other asset(s) of Greenlam. Greenlam shall also not be required to create any additional security over the assets of the Demerged Undertaking acquired by it under this Scheme for any loans, debentures, deposits or other financial assistance already availed/to be availed by Greenply up to the Effective Date, and the charges, mortgages, and/or encumbrances in respect of such indebtedness of Greenply shall not extend or be deemed to extend or apply to the assets of Demerged Undertaking so acquired by Greenlam.

It is further clarified and provided that the transfer of the Demerged Undertaking to Greenlam shall not affect the subsisting charges, mortgages and encumbrances over the Retained Undertaking or any part thereof and such charges, mortgages and encumbrances shall continue to be applicable in respect of such Retained Undertaking save and except that such Retained Undertaking shall stand freed from all charges, mortgages and encumbrances relating to liabilities relating to Demerged Undertaking and which are transferred to Greenlam. Further, Greenlam may at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds of confirmation, in favor of any of the creditors of Greenply pertaining to the Demerged Undertaking or to any other party to any contract or arrangement to which Greenply is a party to, or any writings as may be necessary to be executed in order to give formal effect to the aforesaid provisions.

4.5 Creditors' interest:

This Scheme shall be deemed to ensure that any amount owing by Greenply as on the Appointed Date, or at any time thereafter, is owned either by Greenply or Greenlam such that the liabilities and debts pertaining to the Demerged Undertaking are taken over by Greenlam and those pertaining to the Retained Undertaking continue to be the debts or liabilities of Greenply. Any charge, security interest, lien, statutory lien or statutory charge pertaining to any assets of the Demerged Undertaking shall continue to have effect only on the assets of the Demerged Undertaking and shall cease to have effect on the assets of the Retained Undertaking. Likewise, any charge, security interest, lien, statutory lien or statutory charge pertains to any assets of the Retained Undertaking shall continue to have effect only on the assets of the Retained Undertaking and shall cease to have effect on the assets of the Demerged Undertaking.

Subject to the para above, if any creditor has any charge, security interest, lien, statutory lien or statutory charge on any of the assets or properties of Demerged Undertaking of Greenply, such creditor shall continue to enjoy and hold such charge, lien or security interest upon the properties of Demerged Undertaking in Greenlam.

4.6 Transfer of intellectual property and availment of benefits:

Subject to other provisions of this Scheme, all entitlements, licenses, permissions, approvals, clearances, authorisations, consents, brands, trademarks, copyrights, patents, other intellectual property rights registrations and no-objection certificates obtained by Greenply for the operations of the Demerged Undertaking and/or to which Greenply is entitled to in relation to the Demerged Undertaking in terms of the various statutes/ schemes/ policies, etc. of the Overseas, Union and State Governments, local authorities, local bodies and other statutory authorities and bodies, shall be available to and vest in Greenlam, without any further act or deed and shall be mutated by the statutory authorities concerned therewith in favour of Greenlam. Since the Demerged Undertaking will be transferred to and vested in Greenlam as a going concern without any break or interruption in the operations thereof, Greenlam shall be entitled to enjoy the benefit of all such entitlements, licenses, permissions, approvals, clearances, authorizations, consents, intellectual property rights, registrations and no-objection certificates as enjoyed by Greenply and to carry on and continue the operations of the Demerged Undertaking on the basis of the same upon this Scheme becoming effective. Accordingly, all existing and future incentives, unavailed credits and exemptions and other statutory benefits, including in respect of Income Tax for the period commencing on and from the Appointed Date, Excise (including Modvat / Cenvat), Customs (including EPCG, DFIA, advance license, SHIS, FMS, FPS, Incremental Export Incentive Scheme, TED etc.), VAT, Sales Tax, Entry Tax, Octroi, Service Tax and other taxes, incentives and duties to which Greenply is entitled in relation to the Demerged Undertaking in terms of the various Statutes/ Schemes/ Policies, etc. of Overseas, Union and State Governments shall be available to and vest in Greenlam upon this Scheme becoming effective.

4.7 Treatment of tax:

- (a) It is clarified that all taxes and duties payable by Greenply, accruing and relating to the operations of the Demerged Undertaking from the Appointed Date onwards, including all advance tax payments, tax deducted at source, any refund and claims shall, for all purposes, be treated as advance tax payments, tax deducted at source or refunds and claims of Greenlam. Accordingly, upon this Scheme becoming effective, Greenply is expressly permitted to revise, and Greenlam is expressly permitted to file their respective income tax returns, including tax deducted at source certificates, sales tax/ value added tax returns, excise returns, service tax returns and other tax returns for the period commencing on and from the Appointed Date, and to claim refunds/ credits, pursuant to the provisions of this Scheme.
- (b) All the expenses incurred by Greenply and Greenlam in relation to the Scheme including stamp duty expenses shall be allowed as deduction to each of Greenply and Greenlam in accordance with Section 35DD of the Income Tax Act, 1961 over a period of 5 years beginning with the previous year in which the Scheme becomes effective.
- (c) All expenses paid by Greenply under Section 43B of the Income tax Act, 1961, in relation to the Demerged Undertaking, shall be claimed as a deduction by Greenlam and the transfer of Demerged Undertaking shall be considered as succession of business by Greenlam.

- (d) All tax benefits being claimed by Greenply in relation to its Demerged Undertaking under the Income Tax Act, 1961, including but not limited to Section 80-IC of the Income Tax Act 1961, shall be transferred to Greenlam pursuant to the Scheme.

4.8 Reimbursement of payments:

It is understood between the Parties that on and from the Effective Date, if there is a payment received or benefit or set-off availed by any Party (Receiving Party), which pertains to a property vested in the other party (Relevant Party), pertaining to a period after the Appointed Date, then the Receiving Party must immediately make such payment over to the Relevant Party, without any demand by the Relevant Party and in any case not later than 14 days from the date of receipt thereof. Likewise, if there is a payment to be made or cost to be incurred by any party (Paying Party) relating to a property vested in the other party (Relevant Party), pertaining to a period after the Appointed Date, then the Paying Party would be entitled to immediately recover such payment from the Relevant Party, immediately upon demand and in any case not later than 14 days from the date of demand thereof.

4.9 Treatment of contingent liabilities:

- (a) Subject to provisions of sub-para 4.9(b) below, any contingent liability showing in the books of Greenply as on the Appointed Date shall be assumed by Greenply and Greenlam such that Greenlam takes over all such liabilities, which, on the Appointed Date, pertain to the Demerged Undertaking, and accordingly, the contingent liabilities of Greenply, on any date after the Appointed Date shall be deemed to have been reduced to the extent of contingent liabilities taken over by Greenlam as aforesaid.
- (b) As regards any tax Liability arising in connection with Excise show cause notice received from the 'Office of the Director General of Central Excise Intelligence, Delhi Zonal Unit', dated February 15, 2011 and other connected notices issued by the relevant subordinate governmental authorities with respect to the subject matter of the above mentioned notice or any amendment, revision, further issuance or replacement thereof, or in or about the matter covered by the aforesaid show cause notices ("**Excise Notices**"), the Parties affirm that any Liability arising out of the Excise Notices for period up to March 31, 2017 and which is finally adjudicated and/or settled by March 31, 2020; 27% of the finally adjudicated/ settled Liability amount shall be reimbursed by Greenlam to Greenply.

It is hereby clarified that, for the purpose of this sub-para 4.9(b): (i) "Liability" shall include duty, penalty, interest or any amount paid on composition; (ii) "finally adjudicated/settled" shall mean such final adjudication/settlement where neither Party shall have a right to prefer any further appeal or have any further recourse against the demand arising out of the Excise Notices.

- 4.10** The Retained Undertaking shall be retained by Greenply and activities pertaining to the said Retained Undertaking shall be carried out in the same manner as were being carried out before coming into effect of the Scheme.

4.11 The assets and liabilities of the Demerged Undertaking shall be transferred to Greenlam from the Appointed Date in terms of this Scheme at their respective book values in compliance of section 2(19AA) of the Income Tax Act, 1961.

4.12 Transfer of legal proceedings:

All legal, or other proceedings by or against Greenply in connection with or pertaining to or relating to the Demerged Undertaking pending on the Effective Date, shall be continued and enforced by or against Greenlam instead of Greenply, as effectually and in the same manner and to the same extent as the same would or might have continued and enforced by or against Greenply, in the absence of this Scheme.

4.13 Transfer of contracts and deeds:

- (a) Subject to the other provisions contained in this Scheme all contracts, deeds, bonds, agreements schemes, tenancy rights, lease contracts, incentives, benefits, exemptions, waiver, entitlements, arrangements and other instruments of whatsoever nature relating to the Demerged Undertaking to which Greenply is a party subsisting or having effect immediately before the Effective Date shall remain in full force and effect against or in favour of Greenlam and may be enforced as fully and effectually as if instead of Greenply, Greenlam had been a party thereto.
- (b) Greenlam may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds, confirmations or other writings or tripartite arrangements with any party to any contract or arrangement to which Greenply is a party or any writings as may be necessary to be executed in order to novate or give formal effect to the above provisions. Greenply will, if necessary, also be a party to the above as a confirming party with no obligation cast on or assumed upon Greenply. Greenlam shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings and to carry out or perform all such formalities or compliance referred to above as may be deemed proper and necessary for effectuating the transfer and vesting of the Demerged Undertaking to Greenlam.
- (c) Greenply shall not, directly or indirectly, compete with Greenlam's business of high pressure laminates and compact laminates for a period of 7 (seven) years from the Effective Date or such reduced period, as may be mutually agreed between the Parties.
- (d) Similarly, Greenlam shall not, directly or indirectly, compete with Greenply's business of plywood block boards, plain wood- based fibre boards and plain particle boards for a period of 7 (seven) years from the Effective Date or such reduced period, as may be mutually agreed between the Parties.

5. SAVING OF CONCLUDED TRANSACTIONS

The transfer and vesting of the properties and liabilities of the Demerged Undertaking and the continuance of the proceedings by or against Greenlam as per the provisions hereof shall not affect any transaction or proceeding relating to the Demerged Undertaking already completed by Greenply on or before the Effective Date to the end and intent that Greenlam accepts all acts, deeds and things relating to the Demerged

Undertaking done and executed by and/or on behalf of Greenply as acts deeds and things done and executed by and on behalf of Greenlam.

6. EMPLOYEES

- 6.1 Greenlam undertakes to engage, on and from the Effective Date, all the employees of Greenply engaged in the Demerged Undertaking on the same terms and conditions on which they are engaged by Greenply without any interruption of service as a result of the transfer of the Demerged Undertaking to Greenlam. Greenlam agrees that the services of all such employees with Greenply up to the Effective Date shall be taken into account for the purposes of all benefits to which the said employees may be eligible, including for the purpose of payment of any retrenchment compensation, gratuity and other terminal benefits.
- 6.2 Accordingly, the services of such employees for the purpose of provident fund or gratuity or superannuation or other statutory purposes and for all purposes, including for the purpose of payment of any retrenchment compensation and other terminal benefits, will be reckoned from the date of their respective appointments with Greenply.
- 6.3 The accumulated balances, if any, standing to the credit of the employees of the Demerged Undertaking in the existing provident fund, gratuity fund, superannuation fund and other funds, if any, of which they are members will be transferred to such provident fund, gratuity fund, superannuation fund and other funds nominated by Greenlam and/or such new provident fund, gratuity fund, superannuation fund and other funds to be established and caused to be recognised by the concerned authorities by Greenlam. Pending the transfer as aforesaid, the dues of the employees of the Demerged Undertaking relating to the said funds would be continued to be deposited by Greenlam in the existing provident fund, gratuity fund, superannuation fund and other funds respectively.

7. TRANSACTIONS BETWEEN THE APPOINTED DATE AND EFFECTIVE DATE

With effect from the Appointed Date and up to and including the Effective Date:

- 7.1 Greenply undertakes to carry on the business of the Demerged Undertaking in the ordinary course of business and Greenply shall be deemed to have carried on and to be carrying on all business and activities relating to the Demerged Undertaking for and on account of and in trust for Greenlam.
- 7.2 All the assets and liabilities resulting from the operations of the Demerged Undertaking from the Appointed Date onwards shall stand transferred to and vested in Greenlam on the Effective Date. Further, it is understood that, for the purpose of identification of any liabilities that arise subsequent to the Appointed Date, as to their annexation with Demerged Undertakings or Retained Undertaking, the following rules shall apply:
- (a) If a liability relates to or arises in relation to any specific asset or assets prior to the Appointed Date, such liability shall be attributed to the Demerged Undertaking or Retained Undertaking to which the relevant asset or assets belong;
 - (b) If a liability relates to or arises in relation to a place where the business was being carried on prior to the Appointed Date, such liability shall be attributed to the

Demerged Undertaking and Retained Undertaking to which the relevant place of business belongs.

- 7.3 All incomes and profits accruing to Greenply (including taxes paid thereon) or expenses and losses arising or incurred by it relating to the Demerged Undertaking for the period falling on and after the Appointed Date shall for all purposes, be treated as the incomes, profits (including taxes paid) or expenses and losses, as the case may be of Greenlam.
- 7.4 Greenply shall be deemed to have held and stood possessed of the Demerged Undertaking to be transferred to Greenlam for and on account of and in trust for Greenlam and, accordingly, Greenply shall not (without the prior written consent of Greenlam) alienate, charge or otherwise deal with or dispose of the Demerged Undertaking or any part thereof except in the usual course of business or pursuant to any pre-existing obligation undertaken by Greenply prior to the Appointed Date.
- 7.5 With effect from the Appointed Date, Greenply has carried on and hereafter undertakes to carry on its business with reasonable diligence and utmost business prudence. All accretions and depletions to the Demerged Undertaking shall be and for and on account of Greenlam.

8. ISSUE OF SHARES BY GREENLAM

- 8.1 Upon the Scheme becoming effective and in consideration of the demerger and transfer of the Demerged Undertaking, Greenlam shall, without further application, issue and allot to the shareholders of Greenply whose names appear in the register of members of Greenply as on the Record Date, 1 (One) equity share of INR 5.00 (Indian Rupees Five only) each in Greenlam, credited as fully paid up for every 1 (One) equity share of INR 5.00 (Indian Rupees Five only) each held by them in Greenply.
- 8.2 Upon issue of the new equity shares by Greenlam to the shareholders of Greenply in terms of this Scheme as mentioned in para 8.1 above, all existing equity shares held by the existing shareholders of Greenlam, shall stand cancelled, without any further act or deed. The reduction of capital of Greenlam pursuant to this Scheme shall be given effect as an integral part of the Scheme and the consent given to the Scheme by the shareholders and the creditors of Greenlam shall be deemed to be their consent under the provisions of Section 100 and all other applicable provisions of the Act to such reduction of capital of Greenlam and Greenlam shall not be required to convene any separate meeting for that purpose. The order of the Hon'ble Guahati High Court sanctioning the Scheme shall be deemed to be an Order under Section 102 of the Act. Notwithstanding the reduction of subscribed and paid-up equity share capital of Greenlam, Greenlam shall not be required to add "And Reduced" as suffix to its name.
- 8.3 Such new equity shares issued by Greenlam shall pursuant to circular issued by Securities Exchange Board of India on 4 February 2013 bearing no. CIR/CFD/DIL/05/2013 and in accordance with the compliance with requisite formalities under applicable laws, be listed and/or admitted to trading on the relevant stock exchange(s) where the existing equity shares of Greenply are listed and/or admitted to trading i.e. Greenply and Greenlam shall enter into such arrangements and give such confirmations and/or undertakings as may be necessary in accordance with

the applicable laws or regulations for complying with the formalities of the said stock exchanges.

- 8.4 In respect of the shareholding of the members in Greenply held in dematerialized form, the equity shares in Greenlam shall, subject to applicable regulations, also be issued to them in the dematerialized form pursuant to para 8.1 above with such shares being credited to the existing depository accounts of the members of Greenply entitled thereto, as per records maintained by the National Securities Depository Limited and/or Central Depository Services (India) Limited on the Record Date, unless otherwise notified in writing by the members of Greenply.
- 8.5 In respect of shareholding of the members in Greenply held in the physical form, the equity shares in Greenlam shall be issued to such members in physical form. Members of Greenply desirous of receiving the new shares in Greenlam in dematerialized form should have their shareholding in Greenply dematerialised on or before the Record Date. However, nothing contained in this para shall prohibit or restrict the right of a member to apply for dematerialised shares of Greenlam after allotment of shares of Greenlam in terms of para 8.1 above.
- 8.6 Pursuant to and upon this Scheme becoming effective, Greenlam shall take necessary steps to increase and alter its authorized share capital suitably to enable Greenlam to issue and allot the equity shares in Greenlam to the shareholders of Greenply in terms of this Scheme.
- 8.7 The equity shares in Greenlam allotted pursuant to the Scheme shall remain frozen in the depositories system till listing/ trading permission is given by the designated stock exchange.
- 8.8 Till the listing of the equity shares of Greenlam to be issued pursuant to this Scheme, there shall be no change in the pre-arrangement capital structure and shareholding pattern or control in Greenlam which may affect the status of the approval of the stock exchanges to this Scheme.
- 8.9 Equity shares of Greenlam are allotted to the members of Greenply in terms of this Scheme by virtue of their interest in Greenply as a whole, including the Demerged Undertaking. The interest of the said members in the Demerged Undertaking shall in effect be continued through Greenlam after the demerger. For the purpose of availing exemption under Regulation 10 of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 2011, the promoters of Greenply, shall be deemed to have been the promoters of Greenlam for the same duration they have been the promoters of Greenply and this recognition shall be available on the listing of the equity shares of Greenlam. Statutory exemptions for the transfer of shares of Greenlam amongst the Greenply Shareholder Group and the Greenlam Shareholder Group shall be deemed to be available to the Greenply Shareholder Group and Greenlam Shareholder Group under the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 2011 (the “**Takeover Code**”) as detailed in para 17 below.
- 8.10 In the event of there being any pending share transfers, whether lodged or outstanding, of any member of Greenply, the Board of Directors or any committee thereof of Greenply shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transfer in Greenply as if such changes in the

registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor or transferee of equity shares in Greenlam issued by Greenlam after the effectiveness of this Scheme.

- 8.11 For the purpose of issue of equity shares to the members of Greenply, Greenlam shall, if and to the extent required, apply for and obtain the required statutory approvals including approval of Reserve Bank of India and other concerned regulatory authorities for the issue and allotment by Greenlam of such equity shares.
- 8.12 Unless otherwise determined by the Board of Directors of Greenply and the Board of Directors of Greenlam, allotment of shares in terms of this Scheme shall be done within 90 days from the Effective Date.
- 8.13 Upon coming into effect of this Scheme, Clause (V) of the Memorandum of Association of Greenlam shall, without any further act, deed or instrument, be substituted by the following clause:

“The Authorised Share Capital of the Company shall be Rs. 15,00,00,000/- (Rupees fifteen crores only) divided into 3,00,00,000 (three crores) Equity Shares of Rs. 5/- (Rupees five only) each with the right, privileges and conditions attached thereto as are provided by the Regulations of the Company for the time being, with the power to increase and reduce the capital of the Company and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential rights, privileges or conditions as may be determined by or in accordance with the Regulations of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the Regulations of the Company”

subject to compliance of the requirement of relevant provisions of the Companies Act, 2013.

9. ACCOUNTING TREATMENT

9.1 Accounting treatment in the books of Greenply

- (a) The assets and liabilities of the Demerged Undertaking shall be recorded in the books and account of Greenlam at their values as appearing in the books of account of Greenply as on the Appointed Date. Accordingly, the book value of assets of the Demerged Undertaking shall be deducted, on line by line basis, from the book value of assets of Greenply, and book value of liabilities of Demerged Undertaking shall be deducted, on line by line basis, from the book value of liabilities of Greenply. The net impact, of the assets and liabilities transferred, by Greenply, shall be adjusted in the following sequence:
- (i) Capital reserves;
 - (ii) Capital redemption reserve;
 - (iii) Securities premium account;
 - (iv) General reserve;
 - (v) Surplus in Profit & Loss account.
- (b) The investment by Greenply in Greenlam (in the form of share capital) shall stand cancelled.
- (c) The reduction in the reserves of the Greenply shall be effected as an integral part of the Scheme in accordance with the provisions of Section 78 and Sections 100 to 104 of the Act and the Order of the High Court sanctioning the Scheme shall

be deemed to be also the Order under Section 102 of the Act for the purpose of confirming the reduction. The reduction would not involve either a diminution of liability in respect of unpaid share capital or payment of paid-up share capital, and the provisions of Section 101 of the Act will not be applicable.

- (d) Subject to the aforesaid, the Board of Directors of Greenply and Greenlam shall be entitled to make such corrections and adjustments as may in their opinion be required for ensuring consistent accounting policy or which may otherwise be deemed expedient by them in accounting for the demerger in the respective books of account of the said companies, while complying with generally accepted accounting standards as applicable.
- (e) Any amounts received by Greenply as reimbursement from Greenlam in terms of para 4.9(b) shall be treated as a 'capital receipt' received pursuant to the overall reorganisation of Greenply in terms of this Scheme.

9.2 **Accounting treatment in the books of Greenlam**

- (a) Upon the effectiveness of the Scheme and allotment of shares by Greenlam pursuant to the Scheme and pursuant to para 8, the pre scheme issued, paid up and subscribed share capital of Greenlam shall be cancelled and reduced under section 100 of the Act to the extent of the shares held by Greenply in Greenlam simultaneous with the issue of equity shares to the shareholders of Greenply.
- (b) The difference between (i) Net worth of the Demerged Undertaking, and (ii) the paid up share capital of Demerged Undertaking as issued in pursuance of this Scheme, netted by existing share capital cancelled in terms of this Scheme, shall be treated as Capital Reserve of Greenlam as on the Appointed Date.
- (c) On effectiveness of the Scheme and with effect from the Appointed Date:
 - (i) Greenlam shall record the assets and liabilities of the Demerged Undertaking of Greenply vested in it pursuant to this Scheme, at their respective book values as appearing in the books of Greenply, at the close of business of the day immediately preceding the Appointed Date;
 - (ii) Greenlam shall credit the aggregate face value of the new equity shares issued by it to the shareholders of Greenply pursuant to para 8 of this Scheme to the share capital account in its books of accounts;
 - (iii) the difference, between the amounts credited to the share capital account and the book value of net assets as per sub-para 9.2(c)(i) above shall, after making an adjustment on account of cancellation of share capital pursuant to sub-para 9.2(a) above, be debited by Greenlam to its goodwill or credited to its Capital Reserve account, as the case may be.

PART-4 (MISCELLANEOUS)

10. DECLARATION OF DIVIDENDS ETC.

Greenply shall be entitled to declare and pay dividends, whether interim or final, to its shareholders in respect of the accounting period prior to the Effective Date. It is

clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any member of Greenply and/or Greenlam to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the Boards of Directors of Greenply, and subject to the approval of the shareholders of Greenply.

11. APPLICATIONS

Greenply and Greenlam shall jointly, with all reasonable dispatch, make necessary applications to the Hon'ble Gauhati High Court for sanction and carrying out of this Scheme. Any such application shall, upon constitution of the National Company Law Tribunal, be made and/or pursued before the National Company Law Tribunal, if so required. In such event references in this Scheme to the Hon'ble Gauhati High Court shall be construed as references to the National Company Law Tribunal as the context may require. Greenply and Greenlam shall also take such other steps as may be necessary or expedient to give full and formal effect to the provisions of this Scheme.

It is hereby clarified that submissions of this Scheme to the Hon'ble Gauhati High Court and to any authorities for their respective approvals is without prejudice to all rights, interest, titles and defenses that Greenply and Greenlam have or may have under or pursuant to all applicable laws.

12. MODIFICATION AND IMPLEMENTATION

If any part of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of Greenply and Greenlam, affect the validity or implementation of the other parts and/or provisions of this Scheme. Greenply and Greenlam (by their respective Board of Directors or committee thereof or such other person or persons, as the respective board of directors may authorize) are empowered and authorised:

- (a) to assent from time to time to any modifications or amendments or substitutions to this Scheme or of any conditions or limitations which the Hon'ble Gauhati High Court and/or any authorities under law may deem fit to approve or direct or as may deemed expedient or necessary or which may otherwise be considered necessary or desirable or appropriate by the Board in the best interest of the members; and
- (b) to settle all doubts or difficulties that may arise in carrying out this Scheme and to do and execute all acts, deeds, matters and things necessary, desirable or proper for putting this Scheme into effect.

13. SCHEME CONDITIONAL UPON

13.1 This Scheme is conditional upon and subject to approval of the same by the requisite majorities of the members of Greenply and Greenlam pursuant to Section 391(1) of the Act and sanction of the same by the Hon'ble Gauhati High Court under Sections 391(2) and 394 and other applicable provisions of the Act.

13.2 This Scheme although operative from the Appointed Date shall become effective on the Effective Date, being the date or last of the dates on which certified copies of the order of the Hon'ble Gauhati High Court sanctioning this Scheme are filed with the Registrar of Companies, Shillong by Greenply and Greenlam.

13.3 In the event of this Scheme not being sanctioned by the Court and/or the order or orders not being passed as aforesaid, this Scheme shall become null and void and in that event, no rights and liabilities shall, inter se, accrue between the parties in terms of this Scheme, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/ or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in this Scheme or as may otherwise arise in law. In the event this Scheme becoming null and void, each party shall bear and pay their respective costs, charges and expenses in connection with this Scheme.

14. REMAINING BUSINESS

Save and except the Demerged Undertaking and as expressly provided in this Scheme, nothing contained in this Scheme shall affect Retained Undertaking of Greenply which shall continue to belong to and be vested in and be managed by Greenply. It is expressly clarified and provided that the Retained Undertaking shall continue to be so vested in Greenply and all liabilities, present or contingent, under the Income Tax Act, 1961 of Greenply as a whole, for the period prior to the Appointed Date shall be borne by Greenply with Greenply also being entitled to any and all tax refunds and other credits under the said acts for such prior period.

15. COSTS

All costs, charges and expenses including stamp duties arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto, shall be borne by Greenply and Greenlam in the ratio of 2:1.

16. RESIDUAL PROVISIONS

16.1 Even after this Scheme becomes effective, Greenlam shall be entitled to operate all bank accounts relating to the Demerged Undertaking and realise all monies and complete and enforce all pending contracts and transactions in respect of the Demerged Undertaking in the name of Greenply in so far as may be necessary until the transfer of rights and obligations of Greenply to Greenlam under this Scheme is formally accepted by the parties concerned.

16.2 On the approval of this Scheme by the members of Greenply and Greenlam pursuant to Section 100 and 391 of the Act, it shall be deemed that the said members have also accorded all relevant consents under Section 81(1-A) or any other provisions of the Act to the extent the same may be considered applicable.

16.3 The demerger and transfer and vesting of the Demerged Undertaking under this Scheme has been proposed in compliance with the provisions of Section 2 (19AA) of the Income Tax Act 1961.

17. OTHERS

17.1 Within 12 (twelve) months of listing of the equity shares of Greenlam, there shall be a realignment of shareholding between the Greenply Shareholder Group and the Greenlam Shareholder Group such that: (a) the Greenlam Shareholder Group shall

transfer in one or more transactions, on the stock exchange or otherwise, such number of equity shares of Greenply as mutually agreed, to the Greenply Shareholder Group; and (b) the Greenply Shareholder Group shall transfer in one or more transactions, on the stock exchange or otherwise, such number of equity shares of Greenlam as mutually agreed to the Greenlam Shareholder Group.

- 17.2 The transfer of shares for realignment of shareholding and control in the respective companies in terms of para 17.1 above shall be deemed to have happened, in pursuance of this Scheme, in terms of mutual covenants contained herein.
- 17.3 Such transfer of equity shares between the Greenply Shareholder Group and the Greenlam Shareholder Group shall be effected as an integral part of this Scheme and shall enable them to concentrate their resources on, and focus management upon, the business of their respective areas of interest for future growth, namely Greenlam Shareholder Group on the Decorative Business and the Greenply Shareholder Group on the plyboard and MDF and allied products businesses.
- 17.4 The proposed transfer will neither change the total shareholding / voting rights of the promoter groups of Greenply nor will it affect or prejudice the interests of public shareholders in any way.
- 17.5 Upon consummation of transfer envisaged in para 17.1 above:
- (i) Mr. Saurabh Mittal, Ms. Parul Mittal and Greenply Leasing & Finance Private Limited shall cease to be a part of the promoter / promoter group of Greenply. Similarly, Mr. Shobhan Mittal, Mr. Rajesh Mittal, Mr. Sanidhya Mittal, Ms. Karuna Mittal, Rajesh Mittal (HUF), Prime Holdings Private Limited, S. M. Management Private Limited, Vanashree Properties Private Limited and Trade Combines shall not form part of the promoter / promoter group of Greenlam.
 - (ii) Greenply and Greenlam shall be managed and controlled by their respective shareholders i.e. Greenlam shall be under the exclusive management and control of the Greenlam Shareholder Group and Greenply shall be under the exclusive management and control of the Greenply Shareholder Group. The shareholders of Greenply and Greenlam may reconstitute their respective board of directors to reflect the change in shareholding.
- 17.6 It is clarified that the transfer of the equity shares of both Greenply and Greenlam and the consequent change in management and control of the respective companies made in terms of paras above shall be pursuant to and is an integral part of this Scheme. Such transfer and change in control, being exempt under Regulation 10 of the Takeover Code, shall not trigger the open offer requirements in Greenply and/or Greenlam under Regulation 3 or Regulation 4 of the Takeover Code.

GREENPLY INDUSTRIES LIMITED

Details of Assets & Liabilities as on 31.03.2013

(Rs. In Lacs)

NATURE OF ASSETS/LIABILITIES	WRITTEN DOWN VALUE (WDV)	AMOUNT OF ASSETS/ LIABILITIES TO BE TRANSFERRED TO THE RESULTING COMPANY	AMOUNT OF ASSETS/ LIABILITIES REMAINING WITH THE DEMERGED COMPANY	TRANSFER PRICE, IF TRANSFERRED OTHER THAN BOOK VALUE, THEN VALUATION REPORT THEREOF
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ASSETS

Non-Current Assets

Fixed Assets

Tangible Assets	64345.68	16910.21	47435.47	N.A
Intangible assets	833.16	345.94	487.22	N.A
Capital Work-in-progress	2337.08	619.14	1717.94	N.A
Investments	1752.50	1743.54	8.96	N.A
Long Term Loans & Advances	4338.51	1194.30	3144.21	N.A
Other Non-Current Assets	0.58	-	0.58	N.A

Current Assets

Inventories	32791.39	16055.42	16735.97	N.A
Trade Receivables	34320.70	12695.13	21625.57	N.A
Cash & bank Balances	1627.82	104.46	1523.36	N.A
Short Term Loans & Advances	10212.24	4819.73	5392.51	N.A
Other Current Assets	25.62	-	25.62	N.A
Total Assets	152585.28	54487.87	98097.41	

LIABILITIES

Non-Current Liabilities

Long-Term Borrowings	23534.36	4326.86	19207.50	N.A
Deferred Tax Liabilities (Net)	4033.45	630.46	3402.99	N.A
Other Long Term Liabilities	841.35	25.00	816.35	N.A
Long Term Provisions	1667.06	546.17	1120.89	N.A

Current Liabilities

Short-Term Borrowings	29765.67	16297.73	13467.94	N.A
Trade Payables	29332.26	11213.83	18118.43	N.A
Other Current Liabilities	14669.63	4894.00	9775.63	N.A
Short-Term Provisions	1028.45	18.52	1009.93	N.A
Total Liabilities	104872.23	37952.57	66919.66	

Net Assets	47713.05	16535.30	31177.75	
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