

THE COMPANIES ACT 2013
(COMPANY LIMITED BY SHARES)
ARTICLES OF ASSOCIATION*
OF
REFNOL RESINS AND CHEMICALS LIMITED

- * The following regulations comprised in these Articles of Association were adopted in substitution for and to the entire exclusion of the earlier Articles of Association at the duly convened Annual General Meeting held on 30TH day of September 2015.

Preliminary

Table “F” to apply:

1. The regulations contained in Table “F”, in Schedule I to the Companies Act, 2013 [hereinafter referred to as ‘the Act’], shall apply to the Company save and except in so far as the same are expressly or impliedly excluded or made inapplicable to the Company by the provisions of the Act or any rules, regulations, notifications and circulars contained therein as may be notified by the Central Government from time to time or by any Special Resolution passed by the members of the Company or otherwise.
2. In the interpretation of these Articles, the following expressions shall have the following meanings unless repugnant to the subject or context:

“**Act**” means the Companies Act, 2013 or any statutory modification or re-enactment thereof, for the time being in force and the term shall be deemed to refer to the applicable section thereof, which is relatable to the relevant article in which the said term appears in these Articles and any previous Company Law, so far as may be applicable.

“**Annual General Meeting**” means a general meeting of the Members held in accordance with the provisions of section 96 of the Act and any adjournment thereof.

“**Articles**” means these Articles of Association of the Company or any alterations from time to time.

“**Associate company**”, in relation to another company, means a company in which that other company has a significant influence, but which is not a subsidiary company of the company having such influence and includes a joint venture company.

Explanation.—For the purposes of this clause, “significant influence” means control of at least twenty per cent of total share capital, or of business decisions under an agreement;

“**Board**” or “**Board of Directors**” means the Board of Directors of the Company or the Directors present at a duly convened meeting at which a quorum is present.

“**Company**” or “**the Company**” means Refnol Resins And Chemicals Limited.

“**Director**” means any Director of the Company for the time being.

“**Extraordinary General Meeting**” means an extraordinary general meeting of the Members duly called and constituted in accordance with the provisions of the Act and any adjournment thereof.

“**General Meeting**” means Annual General Meeting or Extra Ordinary General Meeting or any adjournment thereof, as the case may be.

“**Holding Company**”, in relation to one or more other companies, means a company of which such companies are subsidiary companies;

“Member” means a member as defined in section 2[55] of the Act and rules made thereunder.

“Rules” mean the applicable rules for the time being in force as prescribed under relevant sections of the Act.

“Seal” or **“Common Seal”** means common seal of the Company.

“Shareholder” means any person(s), who is a holder of any class of Shares.

“Shares” and **“Shares in the Company”** includes all classes of shares in the capital of the Company or any class thereof, as the case may be and includes any and all the rights conferred on a person by the ownership of such shares.

3. Reference to the plural, shall include the singular and vice-versa; reference to one gender shall include other genders; reference to company shall include foreign companies, corporations and bodies registered; references to persons shall include bodies registered and unincorporated.
4. Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Act or any statutory modification thereof in force.

Shares

5. Share Capital and Alterations of Capital

a. Authorised Share Capital:

The Authorised Share Capital of the Company is as stated in the Memorandum of Association of the Company. Subject to provisions of the Act and Articles, the share in the capital of the company shall be under the control of the Board of Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and/or on such terms and conditions and either at premium or at par and at such time as they may from time to time think fit.

b. Power to alter Share Capital:

Subject to the provisions of the Act, the Company may, by an ordinary resolution—

- i. Increase the share capital by such sum, to be divided into shares of such amount as it thinks expedient,
- ii. Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares; provided that any consolidation and division which results in changes in the voting percentage of the members shall require applicable approvals under the Act,
- iii. Convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination,
- iv. Sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the Memorandum of Association,
- v. Cancel any shares which, at the date of passing of the resolution, have not been taken or agreed to be taken by any person.

c. Reduction of Capital:

The Company may by a resolution as prescribed by the Act, reduce in any manner and in accordance with the provisions of the Act and the Rules, reduce its share capital and / or any capital redemption reserve account and / or any securities premium account and / or any other reserve in the nature of share capital.

Issue of Redeemable Preference shares:

6. (a) The Company may issue from time to time Redeemable Preference Shares as may be permissible to be issued as per the provisions of the Act and rules made thereunder and for the time being in force and applicable to the Company.
- (b) Subject to the provisions of the Articles, the Company shall have power to issue Preference Shares and the Board may, subject to the provisions of the Act and Articles, exercise such powers as it thinks fit.

Provided that the term "Preference Shares" in this Article, has the same meaning as defined in explanation (ii) to section 43 of the Act.

Issue of Warrants:

7. Subject to the provisions of the Act and the approval of the Company in General Meeting the Company may issue with respect to any fully paid Shares, warrants stating that the bearer of the warrants is entitled to the Shares specified therein and may provide coupons or otherwise, for payment of future dividends on the Shares specified in the warrants and may provide conditions for registering membership.
8. Subject to the provisions of the Act and the approval of the Company in General Meeting, the Company may from time to time issue warrants naked or otherwise or issue coupons or other instruments and any combination of Equity Shares, Debentures, Preference Shares or any other instruments to such class of persons as the Board may deem fit with a right attached to the holders of such warrants or coupons or other instruments to subscribe to the Equity shares or other instruments within such time and at such price as the Board may decide as per the rules applicable from time to time.

Shares at the disposal of the Board of Directors:

9. Subject to the provisions of section 61 of the Act, where at the time it is proposed to increase the subscribed capital of the Company by allotment of further shares whether out of the unissued capital or out of the increased share capital either at par or at premium as permissible by law, then:
 - (a) Such further shares shall be offered to the persons who at the date of the offer, are holders of the equity shares of the Company, in proportion, as near as circumstances admit, to the capital paid up on those shares at the date.
 - (b) Such offer shall be made by notice specifying the number of shares offered and shall remain open for a period as may be prescribed under the law and the offer if not accepted, will be deemed to have been declined.
 - (c) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him in favour of any other persons and the notice referred to in sub clause (b) hereof shall contain a statement of this right. Provided that the Board of Directors may decline, without assigning any reason to allot any Shares to any person in whose favour any Member may renounce the Shares offered to him.
 - (d) After 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 allot or dispose of them in such manner, on such terms and conditions at such times, either at par or at premium, and for such consideration and to such person(s) as the Board of Directors may in their sole discretion, think fit.

Nothing in sub-clause (c) shall be deemed:

- (a) To extend the time within which the offer should be accepted; or
- (b) 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.

Nothing in this Article shall apply to the increase of the subscribed capital of the company caused by the exercise of an option attached to the debentures issued or loans raised by the Company:

- (i) To convert such debentures or loans into shares in the company; or
- (ii) To subscribe for shares in the company (whether such option is conferred in these Articles or otherwise).

“PROVIDED THAT the terms of issue of such debentures or loans containing such option have been approved before the issue of such debentures or raising of loan by a Special Resolution passed by the Company in General Meeting.

10. Notwithstanding anything contained in Article 9 hereof, the further shares aforesaid may be offered to any persons (whether or not those persons include the persons referred to in clause (a) of Article 9 hereof) in compliance with the applicable provisions of sections 42 and 62 of the Act, read with Rules prescribed by the Central Government and as amended from time to time.

Issue of Shares for consideration other than Cash:

11. Subject to the provisions of section 62 of the Act and these Articles, the shares in the capital of the company for the time being shall be under the control of the Board of Directors, who may issue, allot or otherwise dispose of the same or any of them to such persons, 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 with the sanction of the company in the General Meeting 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 Board of Directors thinks fit, and may issue and allot shares in the capital of the company 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.

12. **Option for Investors to hold the security with a Depository:**

Definitions:

I. For the purpose of this Article:

‘Beneficial Owner’ means a person or persons whose name is recorded as such with a depository;

‘SEBI’ means the Securities & Exchange Board of India;

‘Depository’ means a company formed and registered under the Companies Act, 1956 and the Companies Act, 2013, which has been granted a certificate of registration to act as a depository under the Securities & Exchange Board of India Act, 1992; and

‘Security’ means such security as may be specified by SEBI from time to time.

II. Dematerialisation of Securities:

Notwithstanding anything contained in Articles, the Company shall be entitled to dematerialise its securities and to offer securities in a dematerialised form pursuant to the Depositories Act, 1996.

III. Options for Investors:

Every person subscribing to securities offered by the Company shall have the option to receive security certificates 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 the law, in respect of any security in the manner provided by the Depositories Act, and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required Certificate of Securities.

If a person opts to hold his security with a depository, the Company shall intimate such depository the details of allotment of the security, and on receipt of the information, the depository shall enter in its record the name of the allottee as the beneficial owner of the security.

IV. Securities in depositories to be in fungible form:

All securities held by a depository shall be dematerialised and be in fungible form. Nothing contained in section 89 of the Act pertaining to declaration in respect of beneficial interest in any security shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.

V. Rights of depositories and beneficial owners:

- (a) Notwithstanding anything to the contrary contained in the Act or Articles, a depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owner.
- (b) Save as otherwise provided in (a) 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.
- (c) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a depository.

VI. Service of documents:

Notwithstanding anything contained in the Act or these Articles to the contrary, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronic mode or by delivery of floppies or discs or extended storage media.

VII. Transfer of Securities:

Nothing contained in section 56 of the Act or these Articles shall apply to a transfer of securities affected by a transferor and transferee both of who are entered as beneficial owners in the records of a depository.

VIII. Allotment of Securities dealt with in a depository:

Notwithstanding anything 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

IX. Distinctive numbers of Securities held in a depository:

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

X. Register and Index of beneficial owners:

The Register and Index of beneficial owners by a depository under the Depositories Act, 1996, shall be deemed to be the Register and index of Members and Security holders for the purposes of these Articles.

Board may accept surrender of shares:

13. Subject to provisions of section 66 of the Act, the Board of Directors may accept from any member on such terms and conditions as shall be agreed a surrender of all or any of his Shares.

Buy Back of Shares:

14. Notwithstanding anything contained in these Articles, pursuant to the provisions of section 68 of the Act, rules prescribed and made applicable and read with Securities and Exchange Board of India (Buy Back of Securities) (Amendment) Regulations, 1998, as amended from time to time, the Company may purchase its own shares or other specified securities.

Issue of Shares with differential rights:

15. The Company may issue shares with differential rights as to voting, dividend or otherwise, attached to them in pursuance of the provisions of the Act and rules made thereunder. The Board of Directors may issue such shares subject to such limits and upon such terms and conditions and with such rights and privileges attached thereto as thought fit and as may be permitted by law.

Company's Lien on Shares/Debentures:

16. The Company shall have a first and paramount lien upon all the shares/debentures (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 and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this Article.

Limitation of time for Issue of Certificates:

17. Every member shall be entitled, without payment, to one or more certificates in marketable lots, if any, for all the shares of each class or denomination registered in his name, or if the Board of Directors so approve (upon paying such fee as the Board of 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 such certificates within prescribed time from the date of allotment, unless the conditions of issue thereof otherwise provide, or within prescribed time from the date of receipt of application or registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate 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 amount paid-up thereon and shall be in such form as the directors may prescribe or approve, provided that in respect of a share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one of several joint holders shall be sufficient delivery to all such holders. Provided that notwithstanding what is stated above the Directors shall comply with such Rules or Regulation or requirements of Securities Exchange Board of India, any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable in this behalf.

Issue of new Certificate in place of one defaced, lost or destroyed:

18. If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof 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 as the company deem adequate, being given, a new certificate in lieu thereof shall be given to the person entitled to such lost or destroyed certificate.

The Company shall not charge any fees for the following:

- (a) For registration of transfer, transmission, probate, succession certificate and letter of administration, certificate of death or marriage, power of attorney or similar other document.
- (b) For sub-division and/or consolidation of shares and/or debenture certificate and/ or sub-division of letters of allotment and split, consolidation, renewal and Pucca transfer receipts into denominations corresponding to the market units of trading, if any;
- (c) For sub-division of renounceable letters of right;
- (d) For issue of new certificates in replacement of those which are old, decrepit or worn out or where the cages on reverse for recording transfers have been fully utilised.

Provided that notwithstanding what is stated hereinabove the Board of Directors shall comply with such Rules or Regulations or requirements of Securities Exchange Board of India, any Stock Exchange, where the securities are listed or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable in this behalf.

The provisions of this Article shall mutatis mutandis apply to debentures of the Company.

Underwriting and Brokerage

Commission may be paid:

19. Subject to the provisions of sections 40, 188 of the Act and Rule (13) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 as modified and amended from time to time, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares or debentures in the Company or procuring, or agreeing to procure subscriptions (whether absolute or conditional) for any shares of or debentures in the Company,

Brokerage:

20. The Company may pay a reasonable sum for brokerage within the prescribed limit under the Act or Rules made thereunder and in accordance with other applicable law.

Transfer of Shares / Debentures

Transfer not to be registered except on production of instrument of transfer:

21. The Company shall not register transfer of shares in the Company unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and the transferee and specifying the name, address and occupation, if any, of the transferee, has been delivered to the Company at its office, along with the certificate of the shares to be transferred and such other evidence as the Board of Directors may require to prove the title of the transferor or his rights to transfer the shares. If no such share certificate is in existence, the transferee shall produce the original letter of allotment of the shares to the Company, if any.

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

Provided that where, on an application in writing made to the company by the Transferee and bearing the stamp required for an instrument of transfer, it is proved to the satisfaction of the Board of Directors that the instrument of transfer signed by or on behalf of the transferor and the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit;

Provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares in the Company has been transmitted by operation of law.

Provided that nothing contained in this Article shall apply to the transfer of security effected by the transferor and the transferee both of whom are entered as beneficial owners in the records of a depository.

The Board may refuse to register transfer:

22. (a) Subject to the provisions of sections 58 and 59 of the Act, the Board may, at their absolute and uncontrolled discretion, decline to register or acknowledge any transfer of shares.
- (b) In particular, the Board may so decline in any case in which the Company has a lien upon the shares or any of them or whilst any money in respect of shares desired to be transferred or any of them remain unpaid or unless the transferee is approved by the Board or which fails to comply with the provisions of the Act or these Articles or any other Act, statute or Order promulgated by the Government and such refusal shall not be affected by the fact that the proposed transferee is already a member.

Provided that the registration of transfer shall not be refused on the ground that the transferor being alone or jointly with any other person or persons indebted to the Company in any account whatsoever except as stated herein above.

- (c) The registration of transfer shall be a conclusive evidence of the approval by the Board of Directors of the transferee, so far only as the shares transferred are concerned but not further or otherwise or so as to incapacitate the Board of Directors from declining to register any subsequent transfer applied for.
- (d) Nothing contained in section 58 of the Act shall prejudice the power of the Board of Directors to refuse to register the transfer of or the transmission by operation of law of the right to, any shares or interest of a member in or debentures of the Company.

The provisions of this Article shall mutatis mutandis apply to debentures of the Company.

Custody of transfer instrument:

23. The instruments of transfer shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Board may decline to register shall be returned to the persons depositing the same for transfer. The Board of Directors may cause to be destroyed all transfer deeds lying with the Company for a period as may be permissible under the law.

Company not liable for disregard of the notice prohibiting registration of transfer:

24. (a) 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) or the prejudice of persons having or claiming any equitable right, title or interest in the same 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 referred thereto in any book of the Company.
- (b) 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 to or in the same shares notwithstanding that the Company may have had notice of such equitable right, title or interest or have entered such notice referred thereto in any books 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 to do so though it may have been entered or referred to in some books of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if Board of Directors shall so think fit.

Notice of refusal to be given to Transferor and Transferee:

25. If the Company refuses to register the transfer of any share or transmission of any right therein, the Company shall within the time prescribed under the law from the date on which the instrument of transfer or intimation of transmission was lodged with the Company send notice of refusal to the transferee and the transferor or of the person giving intimation of the transmission, as the case may be, thereupon the provisions of sections 58 and 59 of the Act or any statutory modification thereof for the time being in force shall apply.

No transfer of less than market lot shares:

26. The Board of Directors may not accept application for transfer of shares less than market lot, if any, provided, however, that this restriction shall not apply to:
- (a) the transfer of equity shares made in pursuance of a statutory provision or an order of a Court of Law;
- (b) the transfer of the entire equity shares by an existing equity shareholder of the Company holding less than market lot equity shares by a single transfer to a single or Joint names
- (c) the transfer of shares more than market lot of equity shares in the aggregate in favour of the same transferee under two or more transfer deeds, out of which, one or more relate(s) to the transfer of less than market lot of equity shares;

Provided that where a person is holding shares in lots higher than the market trading unit and sells the market trading unit, the remaining shares even though less than market lot in number shall be permitted to stand in his own name.

Provided further that when the Company issues bonus or right shares at a subsequent date or converts any of debentures into shares, there shall be no restriction on transfer by any member of whole or part of the shares acquired by him in pursuance of such right or bonus issue or conversion, so long as the number of shares desired to be transferred are in exact multiples of number which has been arrived at with reference to market lot of shares after applying the ratio of bonus or right shares or conversion.

Registration of persons entitled to shares otherwise than by transfer:

27. Subject to the provisions of the Act, any person becoming entitled to shares in consequences of the death, lunacy, bankruptcy or insolvency of any member, or by any lawful means other than by a transfer in accordance with these Articles may, with the consent of the Board (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under these Articles or of such title as the Board of Directors thinks sufficient, either be registered himself as a holder of the shares or elect to have some person nominated by him and approved by the Board of Directors registered as such holder;

Provided nevertheless, that if such person shall elect to have his nominee registered he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provision herein contained, and until he does so, he shall not be freed from any liability in respect of the shares.

Board may require evidence of transmission:

28. Every transmission of a share shall be verified in such manner as the Board of Directors may require and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the Board at their discretion shall consider sufficient. Provided nevertheless, that there shall not be any obligation on the Company or the Board of Directors, to accept any indemnity.

Refusal to register nominee:

29. The Board shall have the same right to refuse to register a person entitled by transmission to any shares or his nominee as it would have had as if such person or nominee were a transferee named in any ordinary transfer for registration. The Company shall not be bound to register a transmission unless the intimation of such transmission has been delivered to the Company under a proper transmission form, if any, prescribed by the Board, duly executed by the person entitled by transmission. All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers of shares shall be applicable to any such intimation of transmission or any notice of transfer as if the circumstances entitling such person to the shares by transmission had not occurred and as if the person entitled by transmission or his nominee was the transferee named in an ordinary transfer presented for registration.

Transfer to Legal Representatives:

30. A transfer of shares or other interest in the Company of a deceased member shall, although the legal representative is not himself a member, be as valid as if he had been a member at the time of the execution of the instrument of transfer.

Person entitled may receive dividends without being registered as Members:

31. Person entitled to a share by transmission shall, subject to the right of the Board of Directors to retain such dividends or moneys as hereinafter provided, be entitled to receive, and may give a discharge for any dividends or other moneys payable in respect of the share.

Title to shares of deceased holder:

32. The executor or administrator of a deceased member or a holder of a succession certificate in respect of shares of a deceased member where he was the sole or only surviving holder shall be the only person entitled to be recognised by the Company as having any title to the shares standing in the name of such member and the Company shall not be bound to recognize such executor or administrator unless such executor or administrator shall have first obtained probate or letter of administration or other legal representation as the case may be from a duly constituted court in India; Provided that in any case where the Board of Directors in its absolute discretion think fit may dispense with the production of probate or letter of administration or succession certificate upon such terms as to indemnity or otherwise as the Board may deem fit, and under Article No. 30 register the name of any person who claims to be absolutely entitled to the shares standing in the name of a deceased member as a member.

Branch Register or Foreign Register:

33. The Board of Directors of the Company may if deem fit, arrange to keep in any State or Country outside India branch register or foreign register of members and or debenture holders resident in that State or Country and that the Board of Directors may make regulations in that behalf, modify or cancel the same as may be deemed fit and permissible as per the Rules applicable from time to time.

Joint Holders:

34. Where two or more persons are registered as the holders of any share, they shall be deemed (so far as the Company is concerned) to hold the same as joint holders with benefits of survivorship subject to the following and other provisions contained in these Articles:
- (a) The Company shall not be bound to register more than three persons as the holders of any share.
 - (b) The joint holders of any share shall be liable severally as well as jointly for and in respect of all installments, calls and other payments which ought to be made in respect of partly paid-up share.
 - (c) On the death of any of such joint holder the survivor or survivors shall be the only person or persons recognised by the Company as having any title to the share but the Board of Directors may require such evidence of death as they may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person.
 - (d) Any one of such joint holders may give effectual receipts of any dividends or other moneys payable in respect of such share.
 - (e) Only the person whose name stands first in the Register of Members as one of the joint holders of any Share, unless otherwise directed by all of them in writing, shall be entitled to delivery of certificate relating to such share or to receive documents (which expression shall be deemed to include all documents referred to in these Articles or the Act or other statutes) from the Company and any document served on or sent to such person shall be deemed as service on all the joint holders.
 - (f) Any one of the two or more joint holders vote at any meeting either personally or by attorney or by proxy in respect of such shares as if he was solely entitled thereto and if more than one of such joint holders be present at any meeting personally or by attorney or by proxy then that one of such persons so present whose name stands first or higher (as the case may be) on the Register of Members in respect of

such share shall alone be entitled to vote in respect thereof but the other or others of the joint holders shall be entitled to be present at the meeting; provided always that a joint holder present at any meeting personally shall be entitled to vote in preference to a joint holder present by any attorney or by proxy although the name of such joint holder present by any attorney or by proxy stands first or higher (as the case may be) in the Register of Members in respect of such shares. Several executors or administrators of a deceased member in whose (deceased Member's) sole name any share stands shall for the purpose of this Article be deemed as joint holders.

- (g) Subject as stated in this Article, the person first named in the Register of Members as one of the joint holders of a share shall always be deemed as the sole holder thereof for any communication by the Company to the members.

The provisions of these Articles shall mutatis mutandis apply to the Debentures / all securities of the Company.

Provided that notwithstanding what is stated under Article 21 to 34 hereinabove, the Company shall comply with such Rules or Regulation or requirements of Securities Exchange Board of India, any Stock Exchange, where the securities of the Company are listed or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable in this behalf.

Calls

35. The Board may, from time to time, subject to the terms on which any shares may have been issued, make such calls as they think fit upon the members in respect of all moneys unpaid on the shares held by them respectively. The member shall pay the amount of every call so made on him to the person and at the time and place appointed by the Board of Directors. A call may be made payable by installments. A call may extend to whole of the nominal value of the share and any premium thereon.

Extension of time for payment of calls:

36. 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 call to any of the Members whose residence is at distance or for other cause, the Board may deem fairly entitled to such extension, but no member shall be entitled to such extension save as a matter of grace and favour.

Calls to carry interest:

37. 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 day appointed for the payment thereof to the time actual payment at such rate as shall from time to time be fixed by the Board but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member and the Board of Directors shall be at liberty to waive payment of such interest wholly or in part.

Calls may be revoked or postponed:

38. A call may be revoked or postponed at the discretion of the Board of Directors.

Proof on trial of suit for money due on shares:

39. On the trial or hearing of any action or suit brought by the Company against any member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the member in respect of whose Shares the money is sought to be recovered, appears on the Register of Members as the holder, at or subsequently to the date at which the money sought to be recovered is alleged to have become due on the shares in respect of which such money is

sought to be recovered; that the resolution making the calls is duly recorded in the minute book and that notice of such call was duly given to the member or his representatives sued in pursuance of these Articles; and that it shall not be necessary to prove the appointment of Directors who made such call, nor that a quorum of Directors was present at the Board Meeting at which any call was made, nor that the meeting at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.

Payment of calls in advance:

40. The Board may, if it thinks fit, subject to the provisions of section 50 of the Act, agree to and receive from any member willing to advance called money or any part of the moneys due upon the share held by him beyond the sums actually called for and upon the money so paid in advance or so much thereof as from time to time exceeds the amount of calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at the rate as the Board may decide from time to time. Moneys as paid in excess of the amount of calls shall not rank for dividends or participate in profits. The Board may at any time and at their absolute discretion repay the amount so advanced upon giving to such member one week's notice in writing.

The provisions of these Articles shall mutatis mutandis apply to the Debentures / all securities of the Company.

Forfeiture, Surrender and Lien

If call or installment not paid notice may be given:

41. If any member fails to pay any call or installment of a call in respect of any Share 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 a notice on such member or on the person (if any) entitled to the shares by transmission, 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:

42. The notice shall name a day (not being earlier than the expiry of thirty days from the date of service of the notice) and a place or places, on and at which such call or installment and such interest and expenses as aforesaid are to be paid. The notice shall also state that, in the event of non-payment on or before the time and at the place appointed the share in respect of which the call was made or installment is payable will be liable to be forfeited.

If notice not complied with shares may be forfeited:

43. If the requisitions of any such notice as aforesaid are not complied with, any share 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.

Notice after forfeiture:

44. When any share shall have been so forfeited notice of the resolution 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, provided however that the failure to give the notice will not in any way invalidate the forfeiture.

Forfeited Shares to become property of the Company:

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

Power to annul forfeiture:

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

Arrears to be paid notwithstanding forfeiture:

47. Any Member whose shares shall have been forfeited shall, notwithstanding the forfeiture, be liable to pay, and shall forthwith pay to the Company all calls, installments, interest and expenses owing upon or in respect of such Shares at the time of the forfeiture together with interest thereon from the time of forfeiture until payment at the rate of interest as the Board of Directors may decide and the Board of Directors may enforce the payment of such moneys or any part thereof if they think fit, but shall not be under any obligation to do so.

Effect of forfeiture:

48. The forfeiture of a share would result in the extinction of all interest in and also of all claims and demands against the Company in respect of the share, and all other rights incidental to the share so forfeited.

Certificate of forfeiture:

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

Title of purchaser and allottee of forfeited shares:

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

Partial payment not to preclude forfeiture:

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

The provisions of these Articles as to forfeiture to apply in case of non-payment of any sum:

52. The provisions of these Articles as to forfeiture shall apply to the case of non-payment of any sum which by the terms of issue of a share become 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 call duly made and notified.

Forfeiture of debentures/other securities:

53. The provisions of these Articles shall mutatis mutandis apply to the forfeiture of debentures/other securities also in case of non-payment of any sums payable on debentures/other securities.

Capitalization of Profits

Capitalisation:

54. Subject to the provisions of the Act:

(1) the Company in General Meeting may resolve that any moneys, investments or other assets forming part of the undistributed profits of the Company (including profits or surplus moneys arising from the realisation of any capital assets of the Company) standing to the credit of the Reserve Fund or any other Fund of the Company or in the hands of the Company and available for dividend or representing the premiums received on the issue of share, and standing to the credit of the share premium account be capitalized :

- (a) by the distribution among the holders of the shares of the Company or any of them on the footing that they become entitled thereto as capital in accordance with the respective rights and interests and in proportion to the amount paid or credited as paid, thereon, of paid up Shares, debentures or debenture-stock, bonds or other obligations of the Company, or
- (b) by crediting shares of the Company which may have been issued and are not fully paid up in proportion to the amount paid or credited as paid thereon respectively, with the whole or any part of the sums remaining unpaid thereon, and the Board of Directors shall give effect to such resolution and apply such portion of the profits or Reserve Fund or any other Fund as may be required for the purpose of making payment in full or part of the shares, debentures or debenture-stock, bonds or other obligations of the Company so distributed or (as the case may be) for the purpose of paying in whole or in the part, the amount remaining unpaid on the shares which may have been issued and are not fully paid up, provided that no such distribution or payment shall be made unless recommended by the Board and if so recommended such distribution and payment shall be accepted by such shareholders in full satisfaction of their interest in the said capitalized sum.
- (c) the Board of Directors shall have power to carry out bonafide revaluation of the fixed assets of the Company from time to time on the basis of the report of approved valuer(s). The Board has the powers to transfer the surplus arising out of difference between the revalued amount of fixed assets and book value of those assets as on date of revaluation to a separate account as may be decided by the Board of Directors. Such surplus may be utilised by Board to set off accumulated Depreciation, accumulated losses and intangible assets. However, utilisation of such surplus for the purpose of issue of Bonus Shares by capitalizing the same and declare and distribute the same by way of dividend will be subject to relevant provisions of the Act and necessary permissions from the appropriate authorities, if required.

- (2) For the purpose of giving effect to any such resolution, the Board of Directors shall make all appropriations and applications of the amounts resolved to be capitalized thereby, and all other allotments and issues of fully paid shares or other securities, if any, and generally to do all such acts and things required.
- (3) The Board shall have power to make such provisions, by the issue of fractional certificates / coupons or by payment in cash or otherwise as it thinks fit, for the case of shares or other securities becoming distributable in fractions and 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 or other securities to which they may be entitled upon such capitalization, 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 capitalized, of the amount or any part of the amounts remaining unpaid on their existing shares. Any agreement made under such authority shall be effective and binding on such members.

Special powers relating to distribution of specific assets:

55. The Company in General Meeting may, subject to the provisions of the Act, resolve that any profits or surplus moneys arising from the realisation and when permitted by law any appreciation in value of the capital assets of the Company be utilised wholly or in part by the distribution of specific assets and in particular of paid up shares, debentures or debenture stock of the Company or of any other Company or by paying up any amount for the time being unpaid on any shares of the Company or in any one or more of such ways and the Board of Directors shall give effect to such direction and where any difficulty arises in regard to the distribution they may settle the same as they think expedient and in particular, may issue fractional certificates and may fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties and may vest any such assets in trustees upon trust for the persons entitled thereto as may deem expedient to the Board of Directors. Where required, the Board of Directors shall comply with Section 39 of the Act and the Board of Directors may appoint any person to sign such contract on behalf of the persons entitled.

Meeting of members

Omission to give notice not to invalidate resolution(s) passed:

56. The accidental omission to give any notice to any of the members or the non-receipt thereof shall not invalidate any resolution(s) passed at any meeting of members or a class thereof.

No other business except shown in Notice can be transacted:

57. No General Meeting, Annual or Extra Ordinary, shall be competent to enter upon, discuss or transact any business which has not been specially mentioned in the notices upon which the said General Meeting was convened.

Chairman:

58. The Board shall appoint one of them to be the Chairman of the Company. The Chairman shall preside over the meetings of the Board of Directors and members of the Company.
The Chairman may, at the same time, be appointed as Managing Director or Deputy Managing Director or Whole Time Director or Chief Executive Officer of the Company.

Chairman with consent may adjourn meeting:

59. The Chairman with the consent of the majority of members present in person or proxy, may adjourn any General Meeting from time to time and from place to place in the city or town in which the Registered Office of the Company is for the time being situate but no business shall be transacted at any adjourned meeting other than the business left unfinished at the General Meeting, adjournment of which took place.

Chairman's casting vote:

60. In case of an equality of votes, the Chairman shall, on a show of hands or electronically or at a poll, have a casting vote in addition to the vote or votes to which he may be entitled to as a member.

Scrutinizers at poll:

61. Where a poll is to be taken, the Chairman of the General Meeting shall appoint two scrutinizers to scrutinize the votes given on the poll and to report thereon to him. One of the scrutinizers so appointed shall always be a member (not being an officer or employee of the Company) present at the General Meeting, provided such a member is available and willing to be appointed. The Chairman shall have power at any time before the result of the poll is declared to remove a scrutinizer from office and fill vacancy in the office of scrutinizer arising from such removal or from any other cause.

Demand for poll not to prevent transactions of other business:

62. The demand for a poll except on the question of election of the Chairman and of an adjournment shall not prevent the continuance of a General Meeting for the transaction of any business other than the question on which the poll has been demanded.

Chairman of the Meeting to be the judge of validity:

63. The Chairman of any General Meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present, while taking of a poll, shall be the sole judge of the validity of every vote tendered at such poll.

Directors

Present Directors:

64. The Directors as on the date of adopting these Articles are:
- | | |
|------------------------------|-------------------------|
| (1) MR. MAHENDRA KHATAU | (4) MR. ARUP RANEN BASU |
| (2) MRS. ASHA KHATAU | (5) MR. S. RAJAGOPALAN |
| (3) MR. BHALCHANDRA SONTAKKE | (6) MRS. H D MILLER |

Number of Directors:

65. The number of Directors on the Board shall not be less than three and shall not be more than fifteen.

Retirement by rotation:

66. Subject to provisions in section 152 and other applicable provisions of the Act, not less than two-third of the total number of Directors of the Company shall be the persons whose period of office shall be liable to determination by retirement by rotation and one third of such of the Directors of the Company for the time being as are liable to retire by rotation or if their number is not three or a multiple of three then the number nearest to one third shall retire from office.

The Directors to retire by rotation at every Annual General Meeting shall be those who have been longest in the office from the last appointment.

Appointment of Additional Director:

67. The Board may, in accordance with and subject to the provisions of section 161 of the Act, appoint, at any time, and from time to time, any person, whether citizen of India or not and whether permanently residing in India or otherwise, as Additional Director to act as Director (hereinafter called as "Additional Director"). An additional Director so appointed under this Article shall hold office up to the date of the next Annual General Meeting of the Company and shall have the same rights as other Directors of the Company.

Appointment of Alternate Director:

68. The Board may, in accordance with and subject to the provisions of section 161 of the Act, 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 in which the meetings of the Board are ordinarily held. An Alternate Director appointed under this Article shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the original Director returns to India. If the term of office of the original Director is determined before he so returns to India any provisions in the Act or in these Articles for the automatic reappointment of a retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director. 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 provisions of the Act and rules made thereunder.

Power of Board to fill casual vacancy:

69. If any Director other than a Managing Director/Whole Time Director vacates his office, before the expiry of his term of office in the normal course (Original Director), the Board of Directors shall have power to appoint any other person to be a Director to fill resulting casual vacancy and that such vacancy be filled by the Board at any time till the Annual General Meeting at which the Original Director would have retired by rotation or otherwise in normal course.

Debenture Director:

70. The Board of Directors may empower debenture holders or any Finance or Credit Corporation or any Collaborator or Central or any State Government to appoint one or more Directors of the Company, but so that the number of such Directors shall not exceed in the aggregate 1/3rd of the total number of Directors for the time being in force. Such Directors may not be liable to retire by rotation.

Nominee Directors:

71. (a) Notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the Company to any financial Institution or to any other Finance Corporation or Credit Corporation or to any other Financing Company or Body or any Bank for any loans granted by them to the Company or so long as any Financing Company or body or any Bank (each of Finance Corporation or Credit Corporation or any other Financing Company or Body or any Bank is hereinafter in this Article referred to as "the Corporation") continue to hold debentures in the Company by direct subscription or private placement, or so long as the Corporation holds shares in the Company as a result of underwriting or direct subscription or so long as any liability of the Company arising out of guarantee furnished by the Corporation on behalf of Company remains outstanding, the Corporation, if has a right to appoint from time to time any person or persons as a Director or Directors,

Whole Time or Non Whole Time, (which Director or Directors is/are hereinafter referred to as "Nominee Director(s)") on the Board of the Company and to remove from such office any person or persons so appointed and to appoint any person or persons in his or their place(s).

- (b) At the option of the Corporation such Nominee Director(s) shall not be required to hold any qualification shares in the Company. Also at the option of the Corporation, such Nominee Director(s) shall not be liable to retire by rotation. Subject as aforesaid, Nominee Director(s) shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.
- (c) The Nominee Director(s) so appointed shall hold the said office only so long as any moneys remain owing by the Company to the Corporation or so long as the Corporation holds Debentures in the Company as a result of direct subscription or private placement or so long as the Corporation holds shares in the Company as a result of underwriting or direct subscription or the liability of the Company arising out of any Guarantee is outstanding and the Nominee Director(s) so appointed in exercise of the said power shall ipso facto vacate such office immediately the moneys owing by the Company to the Corporation is paid off or on the Corporation ceasing to hold debentures / shares in the Company or on the satisfaction of the liability of the Company arising out of any Guarantee furnished by the Corporation.
- (d) The Nominee Director(s) appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and of the meetings of the Committee of which the Nominee Director(s) is / are members as also the minutes of such meetings. In addition to the Nominee Director(s), the Corporation shall also be entitled to receive all such notices and minutes.
- (e) The Company shall pay to the Nominee Director(s), sitting fees and expenses which the other Directors of the Company are entitled but if any other fees, commission, moneys or remuneration in any form is payable to the Directors of the Company, the fees, commission, moneys and remuneration in relation to such Nominee Director(s) shall accrue to the Corporation and same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or such Nominee Director(s) in connection with their appointment or Directorship shall also be paid or reimbursed by the Company to the Corporation or as the case may be to such Nominee Director(s).

Provided that if any such Nominee Director(s) is/are an officer(s) of the Corporation the sitting fees in relation to such Nominee Director(s) shall also accrue to the Corporation and the same shall, accordingly be paid by the Company directly to the Corporation. Unless the same has been specifically instructed to the Company to pay such fees, remuneration, etc. to the Nominee Director(s).

Provided also that in the event of the Nominee Director(s) being appointed as whole time Director(s) such Nominee Director(s) shall exercise such powers and duties as may be approved by the lenders and have such rights as are usually exercised or available to a whole time Director in the management of the affairs of the borrower. Such Nominee Director(s) shall be entitled to receive such remuneration, fees, commission and moneys as may be approved by the lenders.

Directors may act notwithstanding vacancies:

- 72. When the number of Directors in office falls below the minimum hereinabove fixed, the Directors shall not except in emergencies or for the purpose of filling of vacancies or for summoning a General Meeting of the Company, act so long as the number is below the minimum and they may so act notwithstanding the absence of the requisite quorum.

Qualification Shares:

73. A Director shall not be required to hold any shares in the capital of the Company as qualification for being appointed as a Director.

Directors may contract with Company:

74. Subject to the restrictions imposed by the provisions of the Act and Rules made thereunder, no Director, Managing Director or Key Managerial Persons [KMP] of the Company shall be disqualified from his office by contracting with the Company either as vendor, purchaser, agent, broker or otherwise, nor shall any such contract or arrangement entered into by or on behalf of the Company in which any Director, Managing Director or KMP shall be, in any way, interested be avoided nor shall the Director, Managing Director or KMP so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason only of such Director, Managing Director or KMP holding that office or of the fiduciary relation thereby established but the nature of his or their interest must be disclosed by him or them in accordance with and in the cases mentioned in section 184 of the Act.

Remuneration of Directors:

75. (a) Every Director shall be paid for each meeting of the Board or Committee thereof attended by him, such amount of remuneration by way of a fee not exceeding such sum as may be prescribed by the Act and Rules made thereunder or as may be prescribed by the Central Government, from time to time and as may be determined by the Board of Directors.

The Directors shall also be paid such further remuneration as the Company in General Meeting shall, from time to time, decide in such manner as the Board may determine. The Chairman may be paid higher fees than the other Directors, subject to section 197 of the Act.

- (b) Subject to the provisions of the Act and in addition to the remuneration provided for and permissible under section 197 of the Act, any Director, if called upon to perform extra services or make special exertion or efforts (which expression shall include work done by a Director as a member of any Committee formed by the Directors or going out of his usual place of residence or abroad or residing abroad or otherwise for any of the purposes of the Company), may be paid special remuneration. The Board may agree with such Director for such special remuneration for such extra services or special exertions or efforts either by fixed sum or otherwise as may be determined by the Board and such remuneration may be either in addition to or in substitution for the remuneration provided hereinabove.
- (c) The Directors shall also be paid all expenses incurred by them such as traveling, hotel and other incidental expenses for the purpose of attending any Meeting of the Board or Committee of Directors or any General Meeting of the Company or for the business of the Company.

Board may appoint Attorneys:

76. The Board of Directors may at any time and from time to time by power of attorney, appoint any person or persons to be the Attorney or Attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in and exercisable by the Directors under these presents) and for such period and subject to such conditions as the Directors may from time to time think fit, be made in favour of any Company or the members, Directors, nominees, or managers of any Company or Firm or otherwise in favour of any fluctuating body or persons whether nominated directly

or indirectly by the Directors and any such power of Attorney may contain any such powers for the protection or convenience of persons dealing with such Attorneys as the Directors 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 directions for the time being vested in them.

Committee(s) of the Board:

77. (a) The Board shall appoint from amongst its members, such members as the members of the Committee(s) as may be formed by the Board of Directors from time to time ("the Committee). The Committee(s) so appointed shall consist of two or more Directors, and subject to the provisions of and the conditions stipulated in the Act and Rules made thereunder.
- (b) Presence of at least 2 Directors or such other higher number, as the Board / Committee may decide from time to time, shall be necessary to constitute valid quorum of any of the meetings of that Committee.
- (c) Subject to the provisions of these Articles and of section 179 of the Act and other applicable provisions of the Act, the Board may delegate to the Committee responsibility for any of the activities of the Company and other related matters as it deems fit and expedient.
- (d) The decision of the Committee shall be determined by majority, which decision shall be binding on the Company, subject to any modification or variation by the Board. Provided that, the Board shall not be bound by any decision of the Committee that would result in non-compliance by the Board with the provisions of these Articles or of the Act.
- (e) A Committee may elect the Chairman of its meeting unless the Board, while constituting a Committee, has appointed a Chairman of such Committee.
- (f) The participation of a member in a meeting of the Committee may be either in a person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under the Law.
- (g) In case of an equality of votes, the Chairman of the Committee shall have a second or casting vote.
- (h) 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 Director or of any person acting as aforesaid, or that they or any of them were disqualified or that his or their appointment had terminated, be as valid as if every such Director or such person had been duly appointed and was qualified to be a Director.

Vice-Chairman:

78. The Board may appoint one of them as a Vice-Chairman of the Company. The Vice Chairman, if appointed shall preside at meetings of the Board of Directors/General Meeting at which the Chairman is not present.

Who to preside at meeting of Board:

79. All meetings of the Board of Directors and General Meetings of the members shall be presided over by the Chairman, if present, but if at any meeting of the Board, the Chairman is not present at the time appointed for holding the same, the Vice Chairman, if appointed and is present, shall preside and if he is also not present at such time, then and in that case, the Board of Directors shall choose one of the Directors present to preside at the meeting.

General Powers of the Company vested in Directors:

80. Subject to the provisions of the Act, the management of the business of the Company shall be vested in the Board and the Board may exercise all such powers and do all such acts and things as the Company is by the Memorandum of Association or otherwise authorised to exercise and do and are not hereby or by the provisions of the Act, or any other law or otherwise directed to be exercised or done by the Company in General Meeting.

Borrowing Powers of the Board

Powers to borrow funds:

81. Subject to the provisions of sections 179 and 180 of the Act, the Board may, from time to time at its discretion by a resolution passed at a meeting of the Board, accept deposits from members either in advance of calls or otherwise and generally from any source raise, for the purpose of the Company, borrow or secure the payment of such sums as it thinks fit. Provided, however, where the money to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set aside for any specific purpose, the Board shall not borrow or raise such moneys without the consent of the Company in General Meeting.

Payment or repayment of money borrowed:

82. Subject to the provisions of Article 81 hereof, the payment or repayment of moneys borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects, as the Company in General Meeting shall prescribe including money borrowed by way of the issue of bonds, debentures, debenture stock of the Company, charge upon all or any part of the property of the Company (both present and future), including its uncalled capital for the time being and the bonds, debentures, debenture stock and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

Terms of issue of Bonds, Debentures:

83. Subject to the provisions of the Act, any bonds, debentures, debenture-stock or other securities may be issued, whether on rights basis or on private placement, at par, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares and attending (but not voting) at General Meetings, appointment of Directors and otherwise. However, the bonds or Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in General Meeting accorded by a Special Resolution.

Proceedings of the Board

Quorum of the Board Meeting and adjournment of Meeting for want of quorum:

84. a. The quorum for a Board Meeting shall be as provided in the Act. If a meeting of the Board could not be held for want of quorum then the meeting shall automatically stand adjourned to such other date and at such time as may be decided by the Chairman.
- b. The participation of Director[s] in a meeting of the Board may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.

Chairman not to vacate Chair and shall have casting vote:

85. a. The Chairman of a meeting shall not be required to vacate the Chair unless at the time of transaction of any business in which he is or might be deemed to be interested including his own election or appointment.
- b. In case of any equality of votes, the Chairman of the Board, if any, shall have a second or casting vote.

Resolutions by Circular:

86. Save as expressly otherwise provided in section 175 of the Act, a resolution in writing approved by a majority of the Directors or members of any committee thereof who are then in India shall be valid and effectual as if it had been passed at a meeting of the Board or Committee duly convened and held.

Management

Managerial Personnel:

87. Subject to the provisions of the Act, the Company may appoint Managing Director(s), Deputy Managing Director(s) or Manager or Whole Time Director and entrust the whole or in part management of the Company to him or them, but in doing so the Company shall duly observe the provisions of the Act.

Appointment of Managing Director/s or Whole Time Director:

88. Subject to the provisions of the Act, the Directors may from time to time appoint one or more of them to be Managing Director(s) / Deputy Managing Director(s) or Whole Time Director(s) (hereinafter referred to as Managing Director(s)) of the Company, for fixed term not exceeding five years for which he is or they are to hold such office and may from time to time (subject to the provisions of any contract between him or them and Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.

Managing Director/s may be liable to retire by rotation:

89. A Managing Director / Deputy Managing Director or Whole Time Director may be subject to retirement by rotation, unless otherwise decided by the Board of Directors.

Key Managerial Personnel and their appointment:

90. The Managing Director, Deputy Managing Director or any Whole Time Director, the Chief Financial Officer, the Company Secretary or such other person as may be specified in the Act shall be the Key Managerial Personnel.

The Board of Directors from time to time shall appoint and fix the remuneration of the Key Managerial Personnel as provided in the Act.

Powers of Managing Director(s):

91. The Directors may from time to time entrust to and confer upon a Managing Director(s) or the Deputy Managing Director(s) for the time being such of the powers exercisable by them as they may think fit and may confer such powers for such time and to be exercised for such objects and purposes, and upon such terms and conditions, and with such restrictions as they think fit and they may confer such powers either collaterally with or to the exclusion of, and in substitution for, all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter, or vary all or any of such powers.

Compensation for loss of office:

92. Payment may be made by the Company to the Managing Director or Directors by way of compensation for loss of office or as consideration for retirement from office or in connection with such loss or retirement only as permitted by sections 191 and 202 of the Act, or other relevant provisions of law from the time being in force.

Re-appointment of Managing Director(s):

93. The Board of Directors of the Company may subject to the provisions of the Act and these Articles, from time to time re-appoint, re-employ, or extend the term of office of all or any of the Managing Director(s) / Deputy Managing Director(s) for such period not exceeding the maximum term permitted under the Act.

Dividend

Retention of Dividends until completion of transfer under Article 21:

94. Subject to the provisions of the Act, the Board may retain the dividends payable upon shares in respect of which any person is under Article 32 entitled to become a Member or which any person under that Articles is entitled to transfer, until such person shall become a Member in respect of such shares or shall duly transfer the same.

No Member to receive dividend whilst indebted to the Company and Company's right of reimbursement therefrom:

95. No member shall be entitled to receive payment of any interest or dividend in respect of his share(s), whilst any money may be due or owing from him to the Company in respect of such share(s) or otherwise, however, either alone or jointly with any other person(s), and the Board may deduct from the interest or dividend payable to any member all sums of money so due from him to the company.

Transfer of Share must be registered:

96. Subject to the provisions of the Act, a transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.

Unpaid or unclaimed dividend:

97. Where the Company has declared a dividend but which has not been paid or the dividend warrant in respect thereof has not been posted within 30 days or such period as may be prescribed from time to time, from the date of declaration to any shareholder entitled to the payment of the dividend, the Company shall within 7 days from the date of expiry of the said period of 30 days, open a special account in that behalf in any scheduled bank called "Unpaid Dividend of Refnol Resins & Chemicals Limited" or such other name as the Board of Directors may decide and transfer to the said account, the total amount of dividend which remains unpaid or in relation to which no dividend warrant has been posted.

Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven years or such other term as may be prescribed by the Act, from the date of such transfer, shall be transferred by the Company to the Investor Education and Protection Fund established by the Central Government. A claim to any money so transferred to the above fund may be preferred to the Central Government/ Committee appointed by the Central Government by the shareholders to whom the money is due.

No unclaimed or unpaid dividend shall be forfeited by the Board before the claim becomes debarred by law.

The Company shall comply with the provisions of section 124 of the Act in respect of dividend.

The dividend shall be paid in proportion to the amount paid up on each shares.

Miscellaneous

The Seal, its Custody and use:

98. The Directors shall provide a Common Seal for the purpose of the Company and shall have power from time to time to destroy the same, and substitute a new seal in lieu thereof and shall provide for the safe custody of the Seal for the time being. Unless otherwise determined, the Common Seal of the Company shall be affixed to any instrument or document in presence of at least one Director or Secretary of the Company or such other person as may be authorised in that behalf by the Board or a Committee of the Board, who shall sign the instrument or document to which the seal is affixed, provided nevertheless that certificates of shares may be under the signatures of such persons as provided by the Act or Rules made thereunder and in force from time to time.

Directors, Officers, etc. bound by "Secrecy Clause":

99. The Managing Director and every Director, Manager, Auditor, Member of a Committee, KMP, Officer, Servant, Accountant or other person employed in the business of the Company shall pledge himself to observe strict secrecy respecting all transactions of the Company with the customers and the state of accounts with individuals and in matters relating thereto and shall always be bound 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 meeting or by a Court of Law or by the person to whom such matters relate and except in so far as may be necessary in order to comply with any of the provisions in these Articles contained.

Directors and others right to indemnity:

100. Subject to the provisions of the Act, the Managing Director/Deputy Managing Director/Whole Time Director and every Director and Key Managerial Personnel of the Company and every employee of the Company shall be indemnified by the Company against, and it shall be the duty of the Directors, out of the funds of the Company to pay all costs, losses and expenses (including traveling expenses) which they may incur or become liable to by reason of any contract entered into or act or deed done by him as such Managing Director/Deputy Managing Director/Whole Time Director and every Director and Key Managerial Personnel, Officer or employee or in any way in the discharge of his duties and the amount for which such indemnity is provided, shall immediately attach as a lien on the property of the Company and have priority between the members over all other claims.

Directors and other Officers not responsible for acts of others:

101. Subject to the provisions of the Act, no Director, Managing Director, Deputy Managing Director, Key Managerial Personnel or other Officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or Officer or for joining in any receipt or other act for conformity or for any loss or expenses happening to the Company through the insufficiency or deficiency of title to any property acquired by order of the Directors in or upon which any of the moneys of the Company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation, with whom any moneys, securities, or effects shall be entrusted or deposited or for any loss occasioned by any error of judgment or oversight on his part or for any other loss or damage or misfortune whatsoever, which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty.

General Authority:

102. Wherever in the Act it has been provided that the Company shall have right, privilege or authority or that the Company cannot carry out any transaction unless the Company is so authorised by its Articles then in that case, Articles hereby authorise and empower the Company to have such right, privilege or authority and to carry out such transactions as have been permitted by the Act.