

**ARTICLES OF ASSOCIATION**

**OF**

**IMAGICAAWORLD ENTERTAINMENT LIMITED**  
**[Formerly Adlabs Entertainment Limited]**

**PART-I**

# **THE COMPANIES ACT, 1956 AND THE COMPANIES ACT, 2013 COMPANY LIMITED BY SHARES**

## **ARTICLES OF ASSOCIATION**

### **OF**

## **IMAGICAAWORLD ENTERTAINMENT LIMITED [Formerly Adlabs Entertainment Limited]**

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The Articles of Association of the Company comprise of two parts, Part I and Part II, which parts shall, unless the context otherwise requires, co-exist with each other. In case of inconsistency between Part I and Part II, the provisions of Part II shall be applicable, however, Part II shall automatically terminate and cease to have any force and effect from the date of listing of shares of the Company on a stock exchange in India subsequent to an initial public offering of the Equity Shares of the Company without any further action by the Company or by the shareholders.

### **PART-I**

#### **1. CONSTITUTION OF THE COMPANY**

- (a) The Regulations contained in Table 'F' of Schedule I to the Companies Act, 2013 shall apply only in so far as the same are not provided for or are not inconsistent with these Articles.*
- (b) The Regulations for the management of the Company and for the observance of the members thereof and their representatives shall be such as are contained in these Articles subject however to the exercise of the statutory powers of the Company in respect of repeal, additions, alterations, substitution, modifications and variations thereto by Special Resolution as prescribed by the Companies Act, 2013.*

#### **2. INTERPRETATION**

##### **A. DEFINITIONS**

*In the interpretation of these Articles, the following words and expressions shall have the following meanings unless repugnant to the subject or context.*

- a. **“Act”** and any reference to any section or provision thereof respectively means and includes the Companies Act, 2013 including any statutory amendments thereto, and

the Rules made thereunder, and notified from time to time.

- b. **“ADRs”** shall mean American Depository Receipts representing ADSs.
- c. **“Annual General Meeting”** shall mean a General Meeting of the holders of Equity Shares held in accordance with the applicable provisions of the Act;
- d. **“ADR Facility”** shall mean an ADR Facility established by the Company with a depository bank to hold any Equity Shares as established pursuant to a deposit agreement and subsequently as amended or replaced from time to time.
- e. **“ADSs”** shall mean American Depository Shares, each of which represents a certain number of Equity Shares.
- f. **“Articles”** shall mean these Articles of Association as adopted or as from time to time altered in accordance with the provisions of these Articles and the Act.
- g. **“Auditors”** shall mean and include those persons appointed as such for the time being by the Company.
- h. **“Board”** shall mean the board of Directors of the Company, as constituted from time to time, in accordance with Law and the provisions of these Articles.
- i. **“Board Meeting”** shall mean any meeting of the Board, as convened from time to time and any adjournment thereof, in accordance with Law and the provisions of these Articles.
- j. **“Beneficial Owner”** shall mean beneficial owner as defined in Clause (a) of Sub-Section (1) of Section 2 of the Depositories Act.
- k. **“Capital” or “Share Capital”** shall mean the share capital for the time being, raised or authorised to be raised, for the purposes of the Company.
- l. **“Chairman”** shall mean such person as is nominated or appointed in accordance with Article 37 herein below.
- m. **“Companies Act, 1956”** shall mean the Companies Act, 1956 (Act I of 1956), as may be in force for the time being.
- n. **“Company” or “this Company”** shall mean **IMAGICAAWORLD ENTERTAINMENT LIMITED\***.
- o. **“Committees”** shall have the meaning ascribed to such term in Article 74.
- p. **“Debenture”** shall include debenture stock, bonds and any other securities of the Company, whether constituting a charge on the assets of the Company or not.
- q. **“Depositories Act”** shall mean The Depositories Act, 1996 and shall include any statutory modification or re-enactment thereof.

**\* (1) Deletion of word Private from the name of the Company vide Special resolution passed at the Extra Ordinary General Meeting held on 13<sup>th</sup> February, 2010**

**(2) Name changed from Adlabs Entertainment Limited to “Imagicaaworld Entertainment Limited” pursuant to Special Resolution passed by way of Postal Ballot dated March 23, 2020**

- r. **“Depository”** shall mean a Depository as defined in Clause (e) of Sub-Section (1) of Section 2 of the Depositories Act.
- s. **“Director”** shall mean any director of the Company, including alternate directors, Independent Directors and nominee directors appointed in accordance with Law and the provisions of these Articles.
- t. **“Dividend”** shall include interim dividends.
- u. **“Equity Share Capital”** shall mean the total issued and paid-up equity share capital of the Company, calculated on a Fully Diluted Basis.
- v. **“Equity Shares”** shall mean fully paid-up equity shares of the Company having a par value of INR 10 (Rupees ten) per equity share, and 1 (one) vote per equity share or any other issued Share Capital of the Company that is reclassified, reorganized, reconstituted or converted into Equity Shares.
- w. **“Executor”** or **“Administrator”** shall mean a person who has obtained probate or letters of administration, as the case may be, from a court of competent jurisdiction and shall include the holder of a succession certificate authorizing the holder thereof to negotiate or transfer the Equity Share or Equity Shares of the deceased Shareholder and shall also include the holder of a Certificate granted by the Administrator-General appointed under the Administrator Generals Act, 1963.
- x. **“Extraordinary General Meeting”** shall mean an Extraordinary General Meeting of the holders of Equity Shares duly called and constituted in accordance with the Act;
- y. **“Financial Year”** shall mean any fiscal year of the Company, beginning on April 1 of each calendar year and ending on March 31 of the following calendar year.
- z. **“Fully Diluted Basis”** shall mean, in reference to any calculation, that the calculation should be made in relation to the equity share capital of any Person, assuming that all outstanding convertible preference shares or debentures, options, warrants and other equity securities convertible into or exercisable or exchangeable for equity shares of that Person (whether or not by their terms then currently convertible, exercisable or exchangeable), have been so converted, exercised or exchanged to the maximum number of equity shares possible under the terms thereof.
- aa. **“GDRs”** shall mean the registered Global Depositary Receipts, representing GDSs.
- bb. **“GDSs”** shall mean the Global Depositary Shares, each of which represents a certain number of Equity Shares.
- cc. **“General Meeting”** shall mean a meeting of holders of Equity Shares and any adjournment thereof.
- dd. **“Independent Director”** shall mean an independent director as defined under the Act and under clause 49 of the listing agreement.

- ee. **“India”** shall mean the Republic of India.
- ff. **“Law”** shall mean all applicable provisions of all (i) constitutions, treaties, statutes, laws (including the common law), codes, rules, regulations, circulars, ordinances or orders of any governmental authority and SEBI, (ii) governmental approvals, (iii) orders, decisions, injunctions, judgments, awards and decrees of or agreements with any governmental authority, (iv) rules of any stock exchanges, (v) international treaties, conventions and protocols, and (vi) Indian GAAP or any other generally accepted accounting principles.
- gg. **“Managing Director”** shall have the meaning assigned to it under the Act.
- hh. **“MCA”** shall mean the Ministry of Corporate Affairs, Government of India;
- ii. **“Memorandum”** shall mean the memorandum of association of the Company, as amended from time to time.
- jj. **“MS”** shall mean Mr. Manmohan Shetty.
- kk. **“Office”** shall mean the Registered Office for the time being of the Company.
- ll. **“Officer”** shall have the meaning assigned thereto by Section 2(59) of the Act.
- mm. **“Ordinary Resolution”** shall have the meaning assigned thereto by Section 114 of the Act.
- nn. **“Paid up”** shall include the amount credited as paid up.
- oo. **“Person”** shall mean any natural person, sole proprietorship, partnership, company, body corporate, governmental authority, joint venture, trust, association or other entity (whether registered or not and whether or not having separate legal personality).
- pp. **“Promoters”** shall mean Thrill Park Limited and MS.
- qq. **“Register of Shareholders”** shall mean the Register of Shareholders to be kept pursuant to Section 88 of the Act.
- rr. **“Registrar”** shall mean the Registrar of Companies, from time to time having jurisdiction over the Company.
- ss. **“Rules”** shall mean the rules made under the Act and notified from time to time.
- tt. **“Seal”** shall mean the Common Seal(s) for the time being of the Company.
- uu. **“SEBI”** shall mean the Securities and Exchange Board of India, constituted under the Securities and Exchange Board of India Act, 1992.
- vv. **“Secretary”** shall mean a Company Secretary within the meaning of clause (c) of sub-section (1) of Section 2 of the Company Secretaries Act, 1980 and includes any other individual possessing the prescribed qualifications and appointed to perform the duties which may be performed by a secretary under the Act and any other administrative duties.
- ww. **“Securities”** shall mean any Equity Shares or any other securities, debentures warrants or options whether or not, directly or indirectly convertible into, or

exercisable or exchangeable into or for Equity Shares.

- xx. **“Share Equivalents”** shall mean any Debentures, preference shares, foreign currency convertible bonds, floating rate notes, options (including options to be approved by the Board (whether or not issued) pursuant to an employee stock option plan) or warrants or other Securities or rights which are by their terms convertible or exchangeable into Equity Shares;
- yy. **“Shareholder”** shall mean any shareholder of the Company, from time to time.
- zz. **“Shareholders’ Meeting”** shall mean any meeting of the Shareholders of the Company, including Annual General Meetings as well as Extraordinary General Meetings of the Shareholders of the Company, convened from time to time in accordance with Law and the provisions of these Articles.
- aaa. **“Special Resolution”** shall have the meaning assigned to it under Section 114 of the Act.
- bbb. **“Transfer”** shall mean (i) any, direct or indirect, transfer or other disposition of any shares, securities (including convertible securities), or voting interests or any interest therein, including, without limitation, by operation of Law, by court order, by judicial process, or by foreclosure, levy or attachment; (ii) any, direct or indirect, sale, assignment, gift, donation, redemption, conversion or other disposition of such shares, securities (including convertible securities) or voting interests or any interest therein, pursuant to an agreement, arrangement, instrument or understanding by which legal title to or beneficial ownership of such shares, securities (including convertible securities) or voting interests or any interest therein passes from one Person to another Person or to the same Person in a different legal capacity, whether or not for value; (iii) the granting of any security interest or encumbrance in, or extending or attaching to, such shares, securities (including convertible securities) or voting interests or any interest therein, and the word **“Transferred”** shall be construed accordingly.

## **B. CONSTRUCTION**

- (i) In these Articles (unless the context requires otherwise):
  - (i) References to a Party shall, where the context permits, include such Party’s respective successors, legal heirs and permitted assigns.
  - (ii) The descriptive headings of Articles are inserted solely for convenience of reference and are not intended as complete or accurate descriptions of content thereof and shall not be used to interpret the provisions of these Articles and shall not affect the construction of these Articles.
  - (iii) References to articles and sub-articles are references to Articles and Sub-articles of and to these Articles unless otherwise stated and references to these Articles include references to the articles and Sub-articles herein.
  - (iv) Words importing the singular include the plural and vice versa, pronouns importing a gender include each of the masculine, feminine and neuter genders, and where a word or phrase is defined, other parts of speech and grammatical forms of that word or phrase shall have the corresponding meanings.
  - (v) Wherever the words “include,” “includes,” or “including” is used in these Articles,

such words shall be deemed to be followed by the words “without limitation”.

- (vi) The terms “hereof”, “herein”, “hereto”, “hereunder” or similar expressions used in these Articles mean and refer to these Articles and not to any particular Article of these Articles, unless expressly stated otherwise.
- (vii) Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the period to the next Business Day following if the last day of such period is not a Business Day; and whenever any payment is to be made or action to be taken under these Articles is required to be made or taken on a day other than a Business Day, such payment shall be made or action taken on the next Business Day following.
- (viii) A reference to a Party being liable to another Party, or to liability, includes, but is not limited to, any liability in equity, contract or tort (including negligence).
- (ix) Reference to statutory provisions shall be construed as meaning and including references also to any amendment or re-enactment for the time being in force and to all statutory instruments or orders made pursuant to such statutory provisions.
- (x) References to any particular number or percentage of securities of a Person (whether on a Fully Diluted Basis or otherwise) shall be adjusted for any form of restructuring of the share capital of that Person, including without limitation, consolidation or subdivision or splitting of its shares, issue of bonus shares, issue of shares in a scheme of arrangement (including amalgamation or de-merger) and reclassification of equity shares or variation of rights into other kinds of securities.
- (xi) References made to any provision of the Act shall be construed as meaning and including the references to the rules and regulations made in relation to the same by the MCA. The applicable provisions of the Companies Act, 1956 shall cease to have effect from the date on which the corresponding provisions under the Act have been notified.
- (xii) In the event any of the provisions of the Articles are contrary to the provisions of the Act and the Rules, the provisions of the Act and Rules will prevail.

### **3. EXPRESSIONS IN THE ACT AND THESE ARTICLES**

Save as aforesaid, any words or expressions defined in the Act shall, if not inconsistent with the subject or context, bear the same meaning in these Articles.

### **4. SHARE CAPITAL**

- (a) The authorised Share Capital of the Company shall be as stated under Clause V of the Memorandum of Association of the Company from time to time.
- (b) The Paid-up Share Capital shall be at all times a minimum of Rs. 500,000 (Rupees Five Hundred Thousand only) as required under the Act.
- (c) The Company has power, from time to time, to increase its authorised or issued and Paid up Share Capital.
- (d) The Share Capital of the Company may be classified into Equity Shares with differential rights as to dividend, voting or otherwise in accordance with the

applicable provisions of the Act Rules, and Law, from time to time.

- (e) Subject to Article 4(d), all Equity Shares shall be of the same class and shall be alike in all respects and the holders thereof shall be entitled to identical rights and privileges including without limitation to identical rights and privileges with respect to dividends, voting rights, and distribution of assets in the event of voluntary or involuntary liquidation, dissolution or winding up of the Company.
- (f) The Board may allot and issue shares of the Company as payment or part payment for any property purchased by the Company or in respect of goods sold or transferred or machinery or appliances supplied or for services rendered to the Company in or about the formation of the Company or the acquisition and/or in the conduct of its business or for any goodwill provided to the Company; and any shares which may be so allotted may be issued as fully/partly paid up shares and if so issued shall be deemed as fully/partly paid up shares. However, the aforesaid shall be subject to the approval of shareholders under the relevant provisions of the Act and Rules.
- (g) The amount payable on application on each share shall not be less than 5 per cent of the nominal value of the share or, as may be specified by SEBI.
- (h) Nothing herein contained shall prevent the Directors from issuing fully paid up shares either on payment of the entire nominal value thereof in cash or in satisfaction of any outstanding debt or obligation of the Company.
- (i) Except so far as otherwise provided by the conditions of issue or by these presents, any Capital raised by the creation of new Equity Shares, shall be considered as part of the existing Capital and shall be subject to the provisions herein contained with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.
- (j) All of the provisions of these Articles shall apply to the Shareholders.
- (k) Any application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any Equity Shares therein, shall be an acceptance of shares within the meaning of these Articles and every person who thus or otherwise accepts any shares and whose name is on the Register of Shareholders shall for the purposes of these Articles be a Shareholder.
- (l) The money, (if any), which the Board shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them, shall immediately on the insertion of the name of the allottee, in the Register of Shareholders as the name of the holder of such Equity Shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.

## **5. BRANCH OFFICES**

The Company shall have the power to establish one or more branch offices, in addition to the Office, in such places at its Board may deem fit.

## **6. PREFERENCE SHARES**

### **(a) Redeemable Preference Shares**

The Company, subject to the applicable provisions of the Act and the consent of the

Board, shall have the power to issue on a cumulative or non-cumulative basis, preference shares liable to be redeemed in any manner permissible under the Act and the Directors may, subject to the applicable provisions of the Act, exercise such power in any manner as they deem fit and provide for redemption of such shares on such terms including the right to redeem at a premium or otherwise as they deem fit.

(b) **Convertible Redeemable Preference Shares**

The Company, subject to the applicable provisions of the Act the consent of the Board, shall have power to issue on a cumulative or non-cumulative basis convertible redeemable preference shares liable to be redeemed in any manner permissible under the Act and the Directors may, subject to the applicable provisions of the Act, exercise such power as they deem fit and provide for redemption at a premium or otherwise and/or conversion of such shares into such Securities on such terms as they may deem fit.

**7. PROVISIONS IN CASE OF PREFERENCE SHARES.**

Upon the issue of preference shares pursuant to Article 6 above, the following provisions shall apply:

- (a) No such shares shall be redeemed except out of profits of the Company which would otherwise be available for Dividend or out of the proceeds of a fresh issue of shares made for the purposes of the redemption;
- (b) No such shares shall be redeemed unless they are fully paid;
- (c) The premium, if any, payable on redemption shall have been provided for out of the profits of the Company or out of the Company's securities premium account, before the shares are redeemed;
- (d) Where any such shares are proposed to be redeemed out of the profits of the Company, there shall, out of such profits, be transferred, a sum equal to the nominal amount of the shares to be redeemed, to a reserve, to be called the "**Capital Redemption Reserve Account**" and the applicable provisions of the Act relating to the reduction of the Share Capital of the Company shall, except as provided by Section 55 of the Act, apply as if the Capital Redemption Reserve Account were Paid up Share Capital of the Company;
- (e) The redemption of preference shares under this Article by the Company shall not be taken as reduction of Share Capital;
- (f) The Capital Redemption Reserve Account may, notwithstanding anything in this Article, be applied by the Company, in paying up un-issued shares of the Company to be issued to the Shareholders as fully paid bonus shares; and
- (g) Whenever the Company shall redeem any redeemable preference shares or cumulative convertible redeemable preference shares, the Company shall, within 30 (thirty) days thereafter, give notice thereof to the Registrar of Companies as required by Section 64 of the Act.

**8. SHARE EQUIVALENT**

The Company shall, subject to the applicable provisions of the Act, compliance with Law and the consent of the Board, have the power to issue Share Equivalents on such terms and in

such manner as the Board deems fit including their conversion, repayment, and redemption whether at a premium or otherwise.

**9. ADRS/GDRS**

The Company shall, subject to the applicable provisions of the Act, compliance with all Laws and the consent of the Board, have the power to issue ADRs or GDRs on such terms and in such manner as the Board deems fit including their conversion and repayment. Such terms may include at the discretion of the Board, limitations on voting by holders of ADRs or GDRs, including without limitation, exercise of voting rights in accordance with the directions of the Board.

**10. ALTERATION OF SHARE CAPITAL**

Subject to these Articles and Section 61 of the Act, the Company may, by Ordinary Resolution in General Meeting from time to time, alter the conditions of its Memorandum as follows, that is to say, it may:

- (a) increase its Share Capital by such amount as it thinks expedient;
- (b) consolidate and divide all or any of its Share Capital into shares of larger amount than its existing shares;
- (c) convert all or any of its fully Paid up shares into stock and reconvert that stock into fully Paid up shares of any denomination
- (d) sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum, so however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived; and
- (e) cancel shares which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its Share Capital by the amount of the shares so cancelled. A cancellation of shares in pursuance of this Article shall not be deemed to be a reduction of Share Capital within the meaning of the Act.

**11. REDUCTION OF SHARE CAPITAL**

The Company may, subject to the applicable provisions of the Act and the Companies Act, 1956, from time to time, reduce its Capital, any capital redemption reserve account and the securities premium account in any manner for the time being authorized by Law. This Article is not to derogate any power the Company would have under Law, if it were omitted.

**12. POWER OF COMPANY TO PURCHASE ITS OWN SECURITIES**

Pursuant to a resolution of the Board, the Company may purchase its own Equity Shares or other Securities, as may be specified by the MCA, by way of a buy-back arrangement, in accordance with Sections 68, 69 and 70 of the Act, the Rules and subject to compliance with Law.

**13. POWER TO MODIFY RIGHTS**

Where, the Capital, is divided (unless otherwise provided by the terms of issue of the shares of that class) into different classes of shares, all or any of the rights and privileges attached to

each class may, subject to the provisions of Sections 106 and 107 of the Companies Act, 1956 and Law, and whether or not the Company is being wound up, be modified, commuted, affected or abrogated or dealt with by agreement between the Company and any Person purporting to contract on behalf of that class, provided the same is affected with consent in writing and by way of a Special Resolution passed at a separate meeting of the holders of the issued shares of that class. Subject to Section 107(2) of the Companies Act, 1956 and Law, all provisions hereafter contained as to General Meetings (including the provisions relating to quorum at such meetings) shall mutatis mutandis apply to every such meeting.

#### **14. REGISTERS TO BE MAINTAINED BY THE COMPANY**

- (a) The Company shall, in terms of the provisions of Section 88 of the Act, cause to be kept the following registers in terms of the applicable provisions of the Act
  - (i) A Register of Shareholders indicating separately for each class of Equity Shares and preference shares held by each Shareholder residing in or outside India;
  - (ii) A register of Debenture holders; and
  - (iii) A register of any other holders of Securities.
- (b) The Company shall also be entitled to keep in any country outside India, a part of the registers referred above, called “foreign register” containing names and particulars of the Shareholders, Debenture holders or holders of other Securities or beneficial owners residing outside India.
- (c) The registers mentioned in this Article shall be kept and maintained in the manner prescribed under the Companies (Management and Administration) Rules, 2014.

#### **15. SHARES AND SHARE CERTIFICATES**

- (a) The Company shall issue, re-issue and issue duplicate share certificates in accordance with the provisions of the Act and in the form and manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014.
- (b) A duplicate certificate of shares may be issued, if such certificate:
  - i. is proved to have been lost or destroyed; or
  - ii. has been defaced, mutilated or torn and is surrendered to the Company.
- (c) The Company shall be entitled to dematerialize its existing shares, rematerialize its shares held in the depository and/or to offer its fresh shares in a dematerialized form pursuant to the Depositories Act, and the rules framed thereunder, if any.
- (d) A certificate, issued under the common seal of the Company, specifying the shares held by any Person shall be *prima facie* evidence of the title of the Person to such shares. Where the shares are held in depository form, the record of depository shall be the *prima facie* evidence of the interest of the beneficial owner.
- (e) 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 party entitled to such lost or destroyed Certificate. Every Certificate under the Articles shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rupees two for each certificate) as the Directors shall prescribe. Provided that, no fee shall be charged for issue of a new certificate in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above, the Directors shall comply with the applicable provisions of the Act and Law.

- (f) The provisions of this Article shall mutatis mutandis apply to Debentures and other Securities of the Company.
- (g) When a new share certificate has been issued in pursuance of sub-article (e) of this Article, it shall be in the form and manner stated under the Companies (Share Capital and Debentures) Rules, 2014.
- (h) Where a new share certificate has been issued in pursuance of sub-articles (e) or (f) of this Article, particulars of every such share certificate shall be entered in a Register of Renewed and Duplicate Certificates maintained in the form and manner specified under the Companies (Share Capital and Debentures) Rules, 2014.
- (i) All blank forms to be used for issue of share certificates shall be printed and the printing shall be done only on the authority of a Resolution of the Board. The blank forms shall be consecutively machine-numbered and the forms and the blocks, engravings, facsimiles and hues relating to the printing of such forms shall be kept in the custody of the Secretary or of such other person as the Board may authorize for the purpose and the Secretary or the other person aforesaid shall be responsible for rendering an account of these forms to the Board.
- (j) The Secretary shall be responsible for the maintenance, preservation and safe custody of all books and documents relating to the issue of share certificates including the blank forms of the share certificate referred to in sub-article (i) of this Article.
- (k) All books referred to in sub-article (j) of this Article, shall be preserved in the manner specified in the Companies (Share Capital and Debentures) Rules, 2014.
- (l) The details in relation to any renewal or duplicate share certificates shall be entered into the register of renewed and duplicate share certificates, as prescribed under the Companies (Share Capital and Debentures) Rules, 2014.
- (m) If any Share stands in the names of 2 (two) or more Persons, the Person first named in the Register of Shareholders shall as regards receipt of Dividends or bonus, or service of notices and all or any other matters connected with the Company except voting at meetings and the transfer of 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, and for all incidents thereof according to these Articles.
- (n) Except as ordered by a court of competent jurisdiction or as may be required by Law, the Company shall be entitled to treat the Shareholder whose name appears on the Register of Shareholders as the holder of any share or whose name appears as the beneficial owner of shares in the records of the Depository, as the absolute owner

thereof and accordingly shall not be bound to recognise any benami, trust or equity or equitable, contingent or other claim to or interest in such share on the part of any other Person whether or not he shall have express or implied notice thereof. The Board shall be entitled at their sole discretion to register any shares in the joint names of any 2 (two) or more Persons or the survivor or survivors of them.

## **16. SHARES AT THE DISPOSAL OF THE DIRECTORS**

- (a) Subject to the provisions of Section 62 and other applicable provisions of the Act, and these Articles, the shares in the Capital of the Company for the time being (including any shares forming part of any increased Capital of the Company) shall be under the control of the Board who may issue, allot or otherwise dispose of the same or any of them to Persons in such proportion and on such terms and conditions and either at a premium or at par at such time as they may, from time to time, think fit.
- (b) If, by the conditions of allotment of any share, the whole or part of the amount thereof shall be payable by installments, every such installment shall, when due, be paid to the Company by the person who, for the time being, shall be the registered holder of the shares or by his executor or administrator.
- (c) Every Shareholder, or his heirs, Executors, or Administrators shall pay to the Company, the portion of the Capital represented by his share or shares which may for the time being remain unpaid thereon in such amounts at such time or times and in such manner as the Board shall from time to time in accordance with the Articles require or fix for the payment thereof.
- (d) In accordance with Section 56 and other applicable provisions of the Act and the Rules:
  - (i) Every Shareholder or allottee of shares shall be entitled without payment, to receive one or more certificates specifying the name of the Person in whose favour it is issued, the shares to which it relates and the amount paid up thereon. Such certificates shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupon of requisite value, save in cases of issue of share certificates against letters of acceptance or of renunciation, or in cases of issue of bonus shares. Such share certificates shall also be issued in the event of consolidation or sub-division of shares of the Company. Every such certificate shall be issued under the Seal of the Company which shall be affixed in the presence of 2 (two) Directors or persons acting on behalf of the Board under a duly registered power of attorney and the Secretary or some other person appointed by the Board for the purpose and the 2 (two) Directors or their attorneys and the Secretary or other person shall sign the shares certificate(s), provided that if the composition of the Board permits, at least 1 (one) of the aforesaid 2 (two) Directors shall be a person other than a Managing Director(s) or an executive director(s). Particulars of every share certificate issued shall be entered in the Register of Shareholders against the name of the Person, to whom it has been issued, indicating the date of issue. For any further certificate, the Board shall be entitled, but shall not be bound to prescribe a charge not exceeding rupees two.
  - (ii) Every Shareholder 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 such certificates within 2 (two) months from the date of allotment, or within 1 (one) month of the receipt of instrument of transfer, transmission, sub-division, consolidation or renewal of its shares as the case may be. Every certificate of shares shall be in the form and manner as specified in Article 15 above and 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 the first named joint holders shall be sufficient delivery to all such holders.

- (iii) the Board may, at their absolute discretion, refuse any applications for the sub-division of share certificates or Debenture certificates, into denominations less than marketable lots except where sub-division is required to be made to comply with any statutory provision or an order of a competent court of law or at a request from a Shareholder or to convert holding of odd lot into transferable/marketable lot.
- (iv) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp, provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.

## **17. UNDERWRITING AND BROKERAGE**

- (a) Subject to the applicable provisions of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe or procuring or agreeing to procure subscription, (whether absolutely or conditionally), for any shares or Debentures in the Company in accordance with the provisions of the Companies (Prospectus and Allotment of Securities) Rules, 2014.
- (b) The Company may also, on any issue of shares or Debentures, pay such brokerage as may be lawful.

## **18. CALLS**

- (a) Subject to the provisions of Section 49 of the Act, the Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board, (and not by circular resolution), make such call as it thinks fit upon the Shareholders in respect of all money unpaid on the shares held by them respectively and each Shareholder shall pay the amount of every call so made on him to the Person or Persons and Shareholders and at the times and places appointed by the Board. A call may be made payable by installments. Provided that the Board shall not give the option or right to call on shares to any person except with the sanction of the Company in the General Meeting.
- (b) 30 (thirty) days' notice in writing at the least of every call (otherwise than on allotment) shall be given by the Company specifying the time and place of payment and if payable to any Person other than the Company, the name of the person to whom the call shall be paid, provided that before the time for payment of such call, the Board may by notice in writing to the Shareholders revoke the same.
- (c) The Board of Directors may, when making a call by resolution, determine the date on which such call shall be deemed to have been made, not being earlier than the date of

resolution making such call and thereupon the call shall be deemed to have been made on the date so determined and if no date is determined, the call shall be deemed to have been made at the time when the resolution of the Board authorising such call was passed and may be made payable by the Shareholders whose names appear on the Register of Shareholders on such date or at the discretion of the Board on such subsequent date as shall be fixed by the Board.

- (d) A call may be revoked or postponed at the discretion of the Board.
- (e) The joint holder of a share shall be jointly and severally liable to pay all installments and calls due in respect thereof.
- (f) 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 Shareholders who, from residence at a distance or other cause the Board may deem fairly entitled to such extension; but no Shareholders shall be entitled to such extension save as a matter of grace and favour.
- (g) If any Shareholder or allottee fails to pay the whole or any part of any call or installment, 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 of 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 Shareholder.
- (h) Any sum, which by the terms of issue of a share or otherwise, becomes payable on allotment or at any fixed date or by installments at a fixed time 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 or otherwise the same became payable, and in case of non-payment, all the relevant provisions of these Articles as to payment of call, interest, expenses, forfeiture or otherwise shall apply as if such sum became payable by virtue of a call duly made and notified.
- (i) On the trial or hearing of any action or suit brought by the Company against any Shareholder or his legal 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 Shareholder in respect of whose shares the money is sought to be recovered appears entered on the Register of Shareholders as the holder, or one of the holders at or subsequent to the date at which the money sought to be recovered is alleged to have become due on the shares; that the resolution making the call is duly recorded in the minute book, and that notice of such call was duly given to the Shareholder or his representatives so sued in pursuance of these Articles; and it shall not be necessary to prove the appointment of the Directors who made such call nor that a quorum of Directors was present at the Board at which any call was made, nor that the meeting at which any call was made was duly convened or constituted nor any other matters whatsoever; but the proof of the matters aforesaid shall be conclusive evidence of the debt.
- (j) Neither a judgment nor a decree in favour of the Company for calls or other money due in respect of any share nor any part payment or satisfaction thereunder, nor the receipt by the Company of a portion of any money which shall from time to time be due from any Shareholder 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.

- (k) The Board may, if it thinks fit (subject to the provisions of Section 50 of the Act) agree to and receive from any Shareholder willing to advance the same, the whole or any part of the money due upon the shares held by him beyond the sums actually called up, and upon the amount so paid or satisfied in advance or so much thereof as from time to time and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares in respect of which such advance has been made, the Company may pay interest, as the Shareholder paying such sum in advance and the Board agree upon, provided that the 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.
- (l) No Shareholder shall be entitled to voting rights in respect of the money(ies) so paid by him until the same would but for such payment, become presently payable.
- (m) The provisions of these Articles shall *mutatis mutandis* apply to the calls on Debentures of the Company.

## **19. COMPANY'S LIEN:**

### **i. On shares:**

- (a) The Company shall have a first and paramount lien:
  - (i) on every share (not being a fully paid share), for all money (whether presently payable or not) called, or payable at a fixed time, in respect of that share;
  - (ii) on all shares (not being fully paid shares) standing registered in the name of a single person, for all money presently payable by him or his estate to the Company

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

- (b) Company's lien, if any, on the shares, shall extend to all Dividends payable and bonuses declared from time to time in respect of such shares.
- (c) Unless otherwise agreed, the registration of a transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares. The fully paid up shares shall be free from all lien and that in case of partly paid shares, the Company's lien shall be restricted to money called or payable at a fixed price in respect of such shares.
- (d) 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 Shareholders to execute and register the transfer thereof on behalf of and in the name of any purchaser. 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.

Provided that no sale shall be made:

- (i) unless a sum in respect of which the lien exists is presently payable;  
or
- (ii) until the expiration of 14 days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

The net proceeds of any such sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable. 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 Person entitled to the shares at the date of the sale.

- (e) No Shareholder shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid, or in regard to which the Company has exercised any right of lien.

**ii. On Debentures:**

- (a) The Company shall have a first and paramount lien:
  - (i) on every Debenture (not being a fully paid Debenture), for all money (whether presently payable or not) called, or payable at a fixed time, in respect of that Debenture;
  - (ii) on all Debentures (not being fully paid Debentures) standing registered in the name of a single person, for all money presently payable by him or his estate to the Company

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

- (b) Company's lien, if any, on the Debentures, shall extend to all interest and premium payable in respect of such Debentures.
- (c) Unless otherwise agreed, the registration of a transfer of Debentures shall operate as a waiver of the Company's lien, if any, on such Debentures. The fully paid up Debentures shall be free from all lien and that in case of partly paid Debentures, the Company's lien shall be restricted to money called or payable at a fixed price in respect of such Debentures.
- (d) For the purpose of enforcing such lien, the Board may sell the Debentures, 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 Debentures and may authorize the debenture trustee acting as trustee for the holders of Debentures or one of the holder of Debentures to execute and register the transfer thereof on behalf of and in the name of any purchaser. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the Debentures be affected by any irregularity or invalidity in the proceedings in reference to the sale.

Provided that no sale shall be made:

- (i) unless a sum in respect of which the lien exists is presently payable; or
- (ii) until the expiration of 14 days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the Debenture or the person entitled thereto by reason of his death or insolvency.

The net proceeds of any such sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable. The residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the Debentures before the sale) be paid to the Person entitled to the Debentures at the date of the sale.

- (e) No holder of Debentures shall exercise any voting right in respect of any Debentures registered in his name on which any calls or other sums presently payable by him have not been paid, or in regard to which the Company has exercised any right of lien.

## **20. FORFEITURE OF SHARES**

- (a) If any Shareholder fails to pay any call or installment or any part thereof or any money due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Board may, at any time thereafter, during such time as the call or installment or any part thereof or other money remain unpaid or a judgment or decree in respect thereof remain unsatisfied, give notice to him or his legal representatives 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.
- (b) The notice shall name a day, (not being less than 14 (fourteen) days from the date of the notice), and a place or places on or before which such call or installment or such part or other money as aforesaid and interest thereon, (at such rate as the Board shall determine and payable from the date on which such call or installment ought to have been paid), and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment at or before the time and at the place appointed, the shares in respect of which the call was made or installment is payable, will be liable to be forfeited.
- (c) If the requirements of any such notice as aforesaid are not be complied with, any share in respect of which such notice has been given, may at any time, thereafter before payment of all calls, installments, other money due in respect thereof, interest and expenses as required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all Dividends declared or any other money payable in respect of the forfeited share and not actually paid before the forfeiture subject to the applicable provisions of the Act. There shall be no forfeiture of unclaimed Dividends before the claim becomes barred by Law.
- (d) When any share shall have been so forfeited, notice of the forfeiture shall be given to the Shareholder on whose name it stood immediately prior to the forfeiture or if any of his legal representatives or to any of the Persons entitled to the shares by transmission, and an entry of the forfeiture with the date thereof, shall forthwith be

made in the Register of Shareholders, 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.

- (e) Any share so forfeited shall be deemed to be the property of the Company and may be sold; re-allotted, or otherwise disposed of either to the original holder thereof or to any other Person upon such terms and in such manner as the Board shall think fit.
- (f) Any Shareholder whose shares have been forfeited shall, notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company on demand all calls, installments, interest and expenses and other money owing upon or in respect of such shares at the time of the forfeiture together with interest thereon from the time of the forfeiture until payment at such rate as the Board may determine and the Board may enforce, (if it thinks fit), payment thereof as if it were a new call made at the date of forfeiture.
- (g) The forfeiture of a share shall involve extinction at the time of the forfeiture of all interest in all claims and demands against the Company, in respect of the share and all other rights incidental to the share, except only such of these rights as by these Articles are expressly saved.
- (h) A duly verified declaration in writing that the declarant is a Director or Secretary of the Company and that a share in the Company has been duly forfeited in accordance with these Articles 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.
- (i) Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board 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 of Shareholders in respect of the shares sold and the purchaser shall not be bound to see to the regularity of the proceedings, or to the application of the purchase money, and after his name has been entered in the Register of Shareholders in respect of such shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.
- (j) 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 Shareholder), stand cancelled and become null and void and of no effect and the Board shall be entitled to issue a new certificate or certificates in respect of the said shares to the person or persons entitled thereto.
- (k) The Board may, at any time, before any share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.

## **21. FURTHER ISSUE OF SHARE CAPITAL**

- (a) Where at any time, the Company proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered—
  - (i) to persons who, at the date of the offer, are holders of Equity Shares of the Company in proportion, as nearly as circumstances admit, to the Paid up Share Capital on those shares by sending a letter of offer subject to the

following conditions, namely:-

- i. the offer shall be made by notice specifying the number of shares offered and limiting a time not being less than 15 (fifteen) days and not exceeding 30 (thirty) days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined;
  - ii. 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 to in clause 1 above shall contain a statement of this right;
  - iii. after the expiry of the time specified in the notice aforesaid, 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 may dispose of them in such manner which is not dis-advantageous to the Shareholders and the Company;
- (ii) to employees under a scheme of employees' stock option, subject to Special Resolution passed by the Company and subject to the Rules and such other conditions, as may be prescribed under Law; or
  - (iii) to any persons, if it is authorised by a Special Resolution, whether or not those Persons include the Persons referred to in clause (i) or clause (ii) above, either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to the Rules.
- (b) The notice referred to in sub-clause i of clause (i) of sub-article (a) shall be dispatched through registered post or speed post or through electronic mode to all the existing Shareholders at least 3 (three) days before the opening of the issue.
  - (c) Nothing in this Article shall apply to the increase of the subscribed capital of a Company caused by the exercise of an option as a term attached to the Debentures issued or loan raised by the Company to convert such Debentures or loans into shares in the Company:

Provided that the terms of issue of such Debentures or loan 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 a General Meeting.
  - (d) The provisions contained in this Article shall be subject to the provisions of the Section 42 and Section 62 of the Act, the Rules and the applicable provisions of the Companies Act, 1956.

## **22. TRANSFER AND TRANSMISSION OF SHARES**

- (a) The Company shall maintain a "Register of Transfers" and shall have recorded therein fairly and distinctly particulars of every transfer or transmission of any Share, Debenture or other Security held in a material form.
- (b) In accordance with Section 56 of the Act, the Rules and such other conditions as may be prescribed under Law, every instrument of transfer of shares held in physical form shall be in writing. In case of transfer of shares where the Company has not issued any certificates and where the shares are held in dematerialized form, the provisions

of the Depositories Act shall apply.

- (c) (i) An application for the registration of a transfer of the shares in the Company may be made either by the transferor or the transferee within the time frame prescribed under the Act.
- (ii) Where the application is made by the transferor and relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee in a prescribed manner and the transferee communicates no objection to the transfer within 2 (two) weeks from the receipt of the notice.
- (d) Every such instrument of transfer shall be executed by both, the transferor and the transferee and attested 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 Shareholders in respect thereof.
- (e) The Board shall have power on giving not less than 7 (seven) days previous notice by advertisement in a newspaper circulating in the city, town or village in which the Office of the Company is situated to close the transfer books, the Register of Shareholders and/or Register of Debenture-holders at such time or times and for such period or periods, not exceeding 30 (thirty) days at a time and not exceeding in the aggregate 45 (forty-five) days in each year, as it may deem expedient.
- (f) Subject to the provisions of Sections 58 and 59 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 to register the transfer of, or the transmission by operation of law of the right to, any securities or interest of a Shareholder in the Company. The Company shall, within 30 (thirty) days 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 a notice of refusal to the transferee and transferor or to the person giving notice of such transmission, as the case may be, giving reasons for such refusal.

Provided that, 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.

- (g) Subject to the applicable provisions of the Act and these Articles, the Directors shall have the absolute and uncontrolled discretion to refuse to register a Person entitled by transmission to any shares or his nominee as if he were the transferee named in any ordinary transfer presented for registration, and shall not be bound to give any reason for such refusal and in particular may also decline in respect of shares upon which the Company has a lien.
- (h) Subject to the provisions of these Articles, any transfer of shares in whatever lot should not be refused, though there would be no objection to the Company refusing to split a share certificate into several scripts of any small denominations or, to consider a proposal for transfer of shares comprised in a share certificate to several Shareholders, involving such splitting, if on the face of it such splitting/transfer appears to be unreasonable or without a genuine need. The Company should not, therefore, refuse transfer of shares in violation of the stock exchange listing requirements on the ground that the number of shares to be transferred is less than any specified number.

- (i) In case of the death of any one or more Shareholders named in the Register of Shareholders as the joint-holders of any shares, the survivors shall be the only Shareholder or Shareholders recognized by the Company as having any title to or interest in such shares, but nothing therein 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.
- (j) The Executors or Administrators or holder of the succession certificate or the legal representatives of a deceased Shareholder, (not being one of two or more joint-holders), shall be the only Shareholders recognized by the Company as having any title to the shares registered in the name of such Shareholder, and the Company shall not be bound to recognize such Executors or Administrators or holders of succession certificate or the legal representatives unless such Executors or Administrators or legal representatives shall have first obtained probate or letters of administration or succession certificate, as the case may be, from a duly constituted court in India, provided that the Board may in its absolute discretion dispense with production of probate or letters of administration or succession certificate, upon such terms as to indemnity or otherwise as the Board may in its absolute discretion deem fit and may under Article 22(a) of these Articles register the name of any Person who claims to be absolutely entitled to the shares standing in the name of a deceased Shareholder, as a Shareholder.
- (k) The Board shall not knowingly issue or register a transfer of any share to a minor or insolvent or Person of unsound mind, except fully paid shares through a legal guardian.
- (l) Subject to the provisions of Articles, any Person becoming entitled to shares in consequence of the death, lunacy, bankruptcy of any Shareholder or Shareholders, or by any lawful means other than by a transfer in accordance with these Articles, may with the consent of the Board, (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article, or of his title, as the Board thinks sufficient, either be registered himself as the holder of the shares or elect to have some Person nominated by him and approved by the Board, registered as such holder; provided nevertheless, that if such Person shall elect to have his nominee registered, he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained and until he does so, he shall not be freed from any liability in respect of the shares.
- (m) A Person becoming entitled to a share by reason of the death or insolvency of a Shareholder shall be entitled to the same Dividends and other advantages to which he would be entitled if he were the registered holder of the shares, except that he shall not, before being registered as a Shareholder in respect of the shares, be entitled to exercise any right conferred by membership in relation to meetings of the Company.

Provided that the Directors shall, at any time, give notice requiring any such Person to elect either to be registered himself or to transfer the shares, and if such notice is not complied with within 90 (ninety) days, the Directors may thereafter withhold payment of all Dividends, bonuses or other monies payable in respect of the shares until the requirements of the notice have been complied with.

- (n) Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by such evidence as the Board may require to prove the title of the transferor, his right to transfer the shares. Every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the

Board.

Where any instrument of transfer of shares has been received by the Company for registration and the transfer of such shares has not been registered by the Company for any reason whatsoever, the Company shall transfer the Dividends in relation to such shares to a special account unless the Company is authorized by the registered holder of such shares, in writing, to pay such Dividends to the transferee and will keep in abeyance any offer of right shares and/or bonus shares in relation to such shares.

In case of transfer and transmission of shares or other marketable securities where the Company has not issued any certificates and where such shares or Securities are being held in any electronic and fungible form in a Depository, the provisions of the Depositories Act shall apply.

- (o) Before 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 a properly stamped and executed instrument of transfer in accordance with the provisions of Section 56 of the Act.
- (p) No fee shall be payable to the Company, in respect of the registration of transfer or transmission of shares, or for registration of any power of attorney, probate, letters of administration and succession certificate, certificate of death or marriage or other similar documents, sub division and/or consolidation of shares and debentures and sub-divisions of letters of allotment, renounceable letters of right and split, consolidation, renewal and genuine transfer receipts into denomination corresponding to the market unit of trading.
- (q) 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 Shareholders), to the prejudice of a Person or Persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had any notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto, in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice, and give effect thereto if the Board shall so think fit.
- (r) The provision of these Articles shall subject to the applicable provisions of the Act, the Rules and any requirements of Law. Such provisions shall mutatis mutandis apply to the transfer or transmission by operation of Law to other Securities of the Company.

## **23. DEMATERIALIZATION OF SECURITIES**

- (a) De-materialization: Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its existing Securities, rematerialize its Securities held in the Depositories and/or to offer its fresh Securities in a dematerialized form pursuant to the Depositories Act, and the rules framed thereunder, if any.

- (b) Subject to the applicable provisions of the Act, either the Company or the investor may exercise an option to issue, dematerialize, hold the securities (including shares) with a Depository in electronic form and the certificates in respect thereof shall be dematerialized, in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereto shall be governed by the provisions of the Depositories Act .
- (c) Notwithstanding anything contained in these Articles to the contrary, in the event the Securities of the Company are dematerialized, the Company shall issue appropriate instructions to the Depository not to Transfer the Securities of any Shareholder except in accordance with these Articles. The Company shall cause the Promoters to direct their respective Depository participants not to accept any instruction slip or delivery slip or other authorisation for Transfer in contravention of these Articles.
- (d) Options for Investors: Every Person subscribing to the 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 Law, in respect of any Securities in a 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.
- (e) If a Person opts to hold his Securities with a 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.
- (f) Securities in Depositories to be in fungible form: All Securities held by a Depository shall be dematerialized and be held in fungible form. Nothing contained in Sections 88, 112 of the Act and Section 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.
- (g) Rights of Depositories & Beneficial Owners:
  - (i) Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the Registered Owner for the purposes of effecting transfer of ownership of Securities on behalf of the Beneficial Owner.
  - (ii) Save as otherwise provided in (i) 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.
  - (iii) Every person holding shares of the Company and whose name is entered as the Beneficial Owner in the records of the Depository shall be deemed to be a Shareholder of the Company.
  - (iv) The Beneficial Owner of Securities shall, in accordance with the provisions of these Articles and the Act, be entitled to all the rights and subject to all the liabilities in respect of his Securities, which are held by a Depository.
- (h) Except as ordered by a court of competent jurisdiction or as may be required by Law required and subject to the applicable provisions of the Act, the Company shall be entitled to treat the person whose name appears on the Register as the holder of any share or whose name appears as the Beneficial Owner of any share in the records of

the Depository as the absolute owner thereof and accordingly shall not be bound to recognize any benami trust or equity, equitable contingent, future, partial interest, other claim to or interest in respect of such shares or (except only as by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto in accordance with these Articles, on the part of any other person whether or not it has expressed or implied notice thereof but the Board shall at their sole discretion register any share in the joint names of any two or more persons or the survivor or survivors of them.

(i) Register and Index of Beneficial Owners:

The Company shall cause to be kept a register and index of members with details of shares and debentures held in materialized and dematerialized forms in any media as may be permitted by Law including any form of electronic media.

The register and index of Beneficial Owners maintained by a Depository under the Depositories Act shall be deemed to be a register and index of members for the purposes of this Act. The Company shall have the power to keep in any state or country outside India a register resident in that state or country.

(j) Cancellation of Certificates upon surrender by Person:

Upon receipt of certificate of securities on surrender by a person who has entered into an agreement with the Depository through a participant, the Company shall cancel such certificates and shall substitute in its record, the name of the Depository as the registered owner in respect of the said Securities and shall also inform the Depository accordingly.

(k) 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.

(l) Transfer of Securities:

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

(ii) In the case of transfer or transmission of shares or other marketable Securities where the Company has not issued any certificates and where such shares or Securities are being held in any electronic or fungible form in a Depository, the provisions of the Depositories Act shall apply.

(m) 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 of allotment of relevant Securities thereof to the Depository immediately on allotment of such Securities.

(n) Certificate Number and other details of Securities in Depository: Nothing contained in the Act or these Articles regarding the necessity of having certificate number/distinctive numbers for Securities issued by the Company shall apply to Securities held with a Depository.

(o) Register and Index of Beneficial Owners: The Register and Index of Beneficial

Owners maintained by a Depository under the Depositories Act, shall be deemed to be the Register and Index (if applicable) of Shareholders and Security-holders for the purposes of these Articles.

(p) Provisions of Articles to apply to Shares held in Depository:

Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in Depository so far as they apply to shares held in physical form subject to the provisions of the Depositories Act.

(q) Depository to furnish information:

Every Depository shall furnish to the Company information about the transfer of securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by Law and the Company in that behalf.

(r) Option to opt out in respect of any such Security:

If a Beneficial Owner seeks to opt out of a Depository in respect of any Security, he shall inform the Depository accordingly. The Depository shall on receipt of such information make appropriate entries in its records and shall inform the Company. The Company shall within 30 (thirty) days of the receipt of intimation from a Depository and on fulfillment of such conditions and on payment of such fees as may be specified by the regulations, issue the certificate of securities to the Beneficial Owner or the transferee as the case may be.

(s) Overriding effect of this Article:

Provisions of this Article will have full effect and force notwithstanding anything to the contrary or inconsistent contained in any other Articles.

## **24. NOMINATION BY SECURITIES HOLDERS**

- a) Every holder of Securities of the Company may, at any time, nominate, in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, a Person as his nominee in whom the Securities of the Company held by him shall vest in the event of his death.
- b) Where the Securities of the Company are held by more than one Person jointly, the joint holders may together nominate, in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, a Person as their nominee in whom all the rights in the Securities Company shall vest in the event of death of all the joint holders.
- c) Notwithstanding anything contained in any other Law for the time being in force or in any disposition, whether testamentary or otherwise, in respect of the Securities of the Company, where a nomination made in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, purports to confer on any Person the right to vest the Securities of the Company, the nominee shall, on the death of the holder of Securities of the Company or, as the case may be, on the death of the joint holders become entitled to all the rights in Securities of the holder or, as the case may be, of all the joint holders, in relation to such Securities of the Company to the exclusion of all other Persons, unless the nomination is varied or cancelled in the prescribed manner under the Companies (Share Capital and Debentures) Rules, 2014.

- d) Where the nominee is a minor, the holder of the Securities concerned, can make the nomination to appoint in prescribed manner under the Companies (Share Capital and Debentures) Rules, 2014, any Person to become entitled to the Securities of the Company in the event of his death, during the minority.
- e) The transmission of Securities of the Company by the holders of such Securities and transfer in case of nomination shall be subject to and in accordance with the provisions of the Companies (Share Capital and Debentures) Rules, 2014.

## **25. NOMINATION FOR FIXED DEPOSITS**

A depositor (who shall be the member of the Company) may, at any time, make a nomination and the provisions of Section 72 of the Act shall, as far as may be, apply to the nominations made in relation to the deposits made subject to the provisions of the Rules as may be prescribed in this regard.

## **26. NOMINATION IN CERTAIN OTHER CASES**

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

## **27. COPIES OF MEMORANDUM AND ARTICLES TO BE SENT TO MEMBERS**

Copies of the Memorandum and Articles of Association of the Company and other documents referred to in Section 17 of the Act shall be sent by the Company to every Shareholder at his request within 7 (seven) days of the request on payment of such sum as prescribed under the Companies (Incorporation) Rules, 2014.

## **28. BORROWING POWERS**

- (a) Subject to the provisions of Sections 73, 179 and 180, and other applicable provisions of the Act and these Articles, the Board may, from time to time, at its discretion by resolution passed at the meeting of a Board:
  - (i) accept or renew deposits from Shareholders;
  - (ii) borrow money by way of issuance of Debentures;
  - (iii) borrow money otherwise than on Debentures;
  - (iv) accept deposits from Shareholders either in advance of calls or otherwise;  
and
  - (v) generally raise or borrow or secure the payment of any sum or sums of money for the purposes of the Company.

Provided, however, that where the money to be borrowed together with the money already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the Paid-up capital of the Company and its free reserves (not being reserves set apart for any specific purpose), the Board shall not borrow such money without the consent of the Company by way of a Special Resolution in a General Meeting.

Provided further that the approval of holders of Equity Shares taken in terms of the provisions of Section 293 (1) (d) of the Companies Act, 1956 vide the resolution passed in the General Meeting dated February 21, 2012 shall remain valid till September 11, 2014 in case the limits specified under the said resolution are not exhausted till the aforesaid date.

- (b) Subject to the provisions of these Articles, the payment or repayment of money borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the resolution of the Board shall prescribe including by the issue of bonds, perpetual or redeemable Debentures or debenture-stock, or any mortgage, charge, hypothecation, pledge, lien or other security on the undertaking of the whole or any part of the property of the Company, both present and future. Provided however that the Board shall not, except with the consent of the Company by way of a Special Resolution in General Meeting mortgage, charge or otherwise encumber, the Company's uncalled Capital for the time being or any part thereof and Debentures and other Securities may be assignable free from any equities between the Company and the Person to whom the same may be issued.

However, the approval of holders of Equity Shares taken in terms of the provisions of Section 293 (1) (a) of the Companies Act, 1956 vide the resolution passed in the General Meeting dated February 21, 2012 shall remain valid till September 11, 2014 in case the limits specified under the said resolution are not exhausted till the aforesaid date.

- (c) Any bonds, Debentures, debenture-stock or other Securities may if permissible in Law be issued at a discount, premium or otherwise by the Company and shall with the consent of the Board be issued upon such terms and conditions and in such manner and for such consideration as the Board shall consider to be for the benefit of the Company, and on the condition that they or any part of them may be convertible into Equity Shares of any denomination, and with any privileges and conditions as to the redemption, surrender, allotment of shares, appointment of Directors or otherwise. Provided that Debentures with rights to allotment of or conversion into Equity Shares shall not be issued except with, the sanction of the Company in General Meeting accorded by a Special Resolution.
- (d) Subject to the applicable provisions of the Act and these Articles, if any uncalled Capital of the Company is included in or charged by any mortgage or other security, the Board shall make calls on the Shareholders in respect of such uncalled Capital in trust for the Person in whose favour such mortgage or security is executed, or if permitted by the Act, may by instrument under seal authorize the Person in whose favour such mortgage or security is executed or any other Person in trust for him to make calls on the Shareholders in respect of such uncalled Capital and the provisions hereinafter contained in regard to calls shall *mutatis mutandis* apply to calls made under such authority and such authority may be made exercisable either conditionally or unconditionally or either presently or contingently and either to the exclusion of the Board's power or otherwise and shall be assignable if expressed so to be.
- (e) 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 the relevant provisions of the Act in that behalf to be duly complied with within the time prescribed under the Act or such extensions thereof as may be permitted under the Act, as the case may be, so far as they are required to be complied with by the Board.

- (f) Any capital required by the Company for its working capital and other capital funding requirements may be obtained in such form as decided by the Board from time to time.
- (g) The Company shall also comply with the provisions of the Companies (Registration of Charges) Rules, 2014 in relation to the creation and registration of aforesaid charges by the Company.

## **29. SHARE WARRANTS**

- (a) The Company may issue share warrants subject to, and in accordance with, the provisions of Sections 114 and 115 of the Companies Act, 1956; and accordingly the Board may in its discretion, with respect to any Share which is fully Paid-up, on application in writing signed by the Persons registered as holder of the Share, and authenticated by such evidence (if any) as the Board may, from time to time, require as to the identity of the Person signing the application, and on receiving the certificate (if any) of the Share, and the amount of the stamp duty on the warrant and such fee as the Board may from time to time require, issue a share warrant.
- (b)
  - (i) The bearer of a share warrant may at any time deposit the warrant at the Office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the Company, and of attending, and voting and exercising the other privileges of a Shareholder at any meeting held after the expiry of 2 (two) clear days from the time of deposit, as if his name were inserted in the Register of Shareholders as the holder of the Share included in the deposited warrant.
  - (ii) Not more than one person shall be recognised as depositor of the share warrant.
  - (iii) The Company shall, on 2 (two) days' written notice, return the deposited share warrant to the depositor.
- (c)
  - (i) Subject as herein otherwise expressly provided, no person shall, as bearer of a share warrant, sign a requisition for calling a meeting of the Company, or attend, or vote or exercise any other privileges of a Shareholder at a meeting of the Company, or be entitled to receive any notices from the Company.
  - (ii) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Shareholders as the Shareholder included in the warrant, and he shall be a Shareholder of the Company.
- (d) The Board may, from time to time, make rules as to the terms on which (if it shall think fit) a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.
- (e) The provisions contained under this Article shall cease to have effect post the notification of section 465 of the Act which shall repeal the provisions of Companies

Act, 1956.

**30. CONVERSION OF SHARES INTO STOCK AND RECONVERSION**

- (a) The Company in General Meeting may, by Ordinary Resolution, convert any Paid-up shares into stock and when any shares shall have been converted into stock, the several holders of such stock may henceforth transfer their respective interest therein, or any part of such interests, in the same manner and subject to the same regulations as those subject to which shares from which the stock arose might have been transferred, if no such conversion had taken place or as near thereto as circumstances will admit. The Company may, by an Ordinary Resolution, at any time reconvert any stock into Paid-up shares of any denomination. Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so however such minimum shall not exceed the nominal account from which the stock arose.
- (b) The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards Dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose, but no such privileges or advantages, (except participation in the Dividends and profits of the Company and in the assets on winding-up), shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

**31. ANNUAL GENERAL MEETING**

In accordance with the provisions of the Act, the Company shall in each year hold a General Meeting specified as its Annual General Meeting and shall specify the meeting as such in the notices convening such meetings. Further, not more than 15 (fifteen) months gap shall exist between the date of one Annual General Meeting and the date of the next. All General Meetings other than Annual General Meetings shall be an Extraordinary General Meetings.

**32. WHEN ANNUAL GENERAL MEETING TO BE HELD**

Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of Section 96(1) of the Act to extend the time within which any Annual General Meeting may be held.

**33. VENUE, DAY AND TIME FOR HOLDING ANNUAL GENERAL MEETING**

- (a) Every Annual General Meeting shall be called during business hours, that is, between 9 A.M. and 6 P.M. on a day that is not a national holiday, and shall be held at the Office of the Company or at some other place within the city, town or village in which the Office of the Company is situate, as the Board may determine and the notices calling the Meeting shall specify it as the Annual General Meeting.
- (b) Every Shareholder of the Company shall be entitled to attend the Annual General Meeting either in person or by proxy and the Auditor of the Company shall have the right to attend and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor. At every Annual General Meeting of the Company there shall be laid on the table, the Directors' Report and Audited Statement of Accounts, Auditors' Report, (if not already incorporated in the Audited Statement of Accounts), the proxy Register with proxies and the Register of Directors' shareholdings which latter Register shall remain open and accessible during the continuance of the Meeting. The Board shall cause to be prepared the Annual Return and forward the same to the concerned Registrar of Companies, in

accordance with Sections 92 and 137 of the Act. The Directors are also entitled to attend the Annual General Meeting.

### **34. NOTICE OF GENERAL MEETINGS**

- (a) Number of days' notice of General Meeting to be given: A General Meeting of the Company may be called by giving not less than 21 (twenty one) days clear notice in writing or in electronic mode, excluding the day on which notice is served or deemed to be served (i.e., on expiry of 48 (forty eight) hours after the letter containing the same is posted). However, a General Meeting may be called after giving shorter notice if consent is given in writing or by electronic mode by not less than 95 (ninety five) percent of the Shareholders entitled to vote at that meeting.

The notice of every meeting shall be given to:

- (a) every Shareholder, legal representative of any deceased Shareholder or the assignee of an insolvent member of the Company,
  - (b) Auditor or Auditors of the Company, and
  - (c) all Directors.
- (b) Notice of meeting to specify place, etc., and to contain statement of business: Notice of every meeting of the Company shall specify the place, date, day and hour of the meeting, and shall contain a statement of the business to be transacted thereat shall be given in the manner prescribed under Section 102 of the Act.
- (c) Contents and manner of service of notice and Persons on whom it is to be served: Every notice may be served by the Company on any Shareholder thereof either personally or by sending it by post to their/its registered address in India and if there be no registered address in India, to the address supplied by the Shareholder to the Company for giving the notice to the Shareholder.
- (d) Special Business: Subject to the applicable provisions of the Act, where any items of business to be transacted at the meeting are deemed to be special, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each item of business including any particular nature of the concern or interest if any therein of every Director or manager (as defined under the provisions of the Act), if any or key managerial personnel (as defined under the provisions of the Act) or the relatives of any of the aforesaid and where any item of special business relates to or affects any other company, the extent of shareholding interest in that other company of every Director or manager (as defined under the provisions of the Act), if any or key managerial personnel (as defined under the provisions of the Act) or the relatives of any of the aforesaid of the first mentioned company shall also be set out in the statement if the extent of such interest is not less than 2 per cent of the paid up share capital of that other company. All business transacted at any meeting of the Company shall be deemed to be special and all business transacted at the Annual General Meeting of the Company with the exception of the business specified in Section 102 of the Act shall be deemed to be special.
- (e) Resolution requiring Special Notice: With regard to resolutions in respect of which special notice is required to be given by the Act, a special notice shall be given as required by Section 115 of the Act.
- (f) Notice of Adjourned Meeting when necessary: When a meeting is adjourned for 30

(thirty) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting in accordance with the applicable provisions of the Act.

- (g) Notice when not necessary: 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.
- (h) The notice of the General Meeting shall comply with the provisions of Companies (Management and Administration) Rules, 2014.

### **35. REQUISITION OF EXTRAORDINARY GENERAL MEETING**

- (a) The Board may, whenever it thinks fit, call an Extraordinary General Meeting and it shall do so upon a requisition received from such number of Shareholders who hold, on the date of receipt of the requisition, not less than one-tenth of such of the Paid up Share Capital of the Company as on that date carries the right of voting and such meeting shall be held at the Office or at such place and at such time as the Board thinks fit.
- (b) Any valid requisition so made by Shareholders must state the object or objects of the meeting proposed to be called, and must be signed by the requisitionists and be deposited at the Office; provided that such requisition may consist of several documents in like form each signed by one or more requisitionists.
- (c) Upon the receipt of any such valid requisition, the Board shall forthwith call an Extraordinary General Meeting and if they do not proceed within 21 (twenty-one) days from the date of the requisition being deposited at the Office to cause a meeting to be called on a day not later than 45 (forty-five) days from the date of deposit of the requisition, the requisitionists or such of their number as represent either a majority in value of the Paid up Share Capital held by all of them or not less than one-tenth of such of the Paid-up Share Capital of the Company as is referred to in Section 100 of the Act, whichever is less, may themselves call the meeting, but in either case any meeting so called shall be held within three months from the date of the delivery of the requisition as aforesaid.
- (d) Any meeting called under the foregoing sub-articles by the requisitionists, shall be called in the same manner, as nearly as possible, as that in which a meeting is to be called by the Board.
- (e) The accidental omission to give any such notice as aforesaid to any of the Shareholders, or the non-receipt thereof, shall not invalidate any resolution passed at any such meeting.
- (f) No General Meeting, Annual or Extraordinary, shall be competent to enter into, discuss or transact any business which has not been mentioned in the notice or notices by which it was convened.
- (g) The Extraordinary General Meeting called under this article shall be subject to and in accordance with the provisions contained under the Companies (Management and Administration) Rules, 2014.

### **36. NO BUSINESS TO BE TRANSACTED IN GENERAL MEETING IF QUORUM IS NOT PRESENT**

The quorum for the Shareholders' Meeting shall be in accordance with Section 103 of the

Act.

Subject to the provisions of Section 103(2) of the Act, if such a quorum is not present within half an hour from the time set for the Shareholders' Meeting, the Shareholders' Meeting shall be adjourned to the same time and place or to such other date and such other time and place as the Board may determine and the agenda for the adjourned Shareholders' Meeting shall remain the same. If at such adjourned meeting also, 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 a quorum, and may transact the business for which the meeting was called.

**37. CHAIRMAN OF THE GENERAL MEETING**

The Chairman of the Board shall be entitled to take the Chair at every General Meeting, whether Annual or Extraordinary. If there be no such Chairman of the Board or if at any meeting he shall not be present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the Chair, then the Directors present shall elect one of them as Chairman. If no Director be present or if all the Directors present decline to take the Chair, then the Shareholders present shall elect one of their number to be the Chairman of the meeting. No business shall be discussed at any General Meeting except the election of a Chairman while the Chair is vacant.

**38. CHAIRMAN CAN ADJOURN THE GENERAL MEETING**

The Chairman may, with the consent given in the meeting at which a quorum is present (and if so directed by the meeting) adjourn the General Meeting from time to time and from place to place within the city, town or village in which the Office of the Company is situate but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

**39. QUESTIONS AT GENERAL MEETING HOW DECIDED**

- (a) At any General Meeting, a resolution put to the vote of the General Meeting shall, unless a poll is demanded, be decided by a show of hands. Before or on the declaration of the result of the voting on any resolution by a show of hands, a poll may be carried out in accordance with the applicable provisions of the Act or the voting is carried out electronically. Unless a poll is demanded, a declaration by the Chairman that a resolution has, on a show of hands, been carried or carried unanimously, or by a particular majority, or lost and an entry to that effect in the Minute Book of the Company shall be conclusive evidence of the fact, of passing of such resolution or otherwise.
- (b) In the case of equal votes, the Chairman shall both on a show of hands and at a poll, (if any), have a casting vote in addition to the vote or votes to which he may be entitled as a Shareholder.
- (c) If a poll is demanded as aforesaid, the same shall subject to anything stated in these Articles be taken at such time, (not later than forty-eight hours from the time when the demand was made), and place within the City, Town or Village in which the Office of the Company is situate and either by a show of hands or by ballot or by postal ballot, as the Chairman shall direct and either at once or after an interval or adjournment, or otherwise and the result of the poll shall be deemed to be the decision of the meeting at which the poll was demanded. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll. The demand for a poll may be withdrawn at any time by the Person or Persons who made the demand.

- (d) Where a poll is to be taken, the Chairman of the meeting shall appoint two scrutineers to scrutinise the votes given on the poll and to report thereon to him. One of the scrutineers so appointed shall always be a Shareholder, (not being an officer or employee of the Company), present at the meeting provided such a Shareholder 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 scrutineer from office and fill vacancies in the office of scrutineer arising from such removal or from any other cause.
- (e) Any poll duly demanded on the election of a Chairman of a meeting or any question of adjournment, shall be taken at the meeting forthwith. A poll demanded on any other question shall be taken at such time not later than 48 hours from the time of demand, as the Chairman of the meeting directs.
- (f) The demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.
- (g) No report of the proceedings of any General Meeting of the Company shall be circulated or advertised at the expense of the Company unless it includes the matters required by these Articles or Section 118 of the Act to be contained in the Minutes of the proceedings of such meeting.
- (h) The Shareholders will do nothing to prevent the taking of any action by the Company or act contrary to or with the intent to evade or defeat the terms as contained in these Articles.

#### **40. PASSING RESOLUTIONS BY POSTAL BALLOT**

- (a) Notwithstanding any of the provisions of these Articles, the Company may, and in the case of resolutions relating to such business as notified under the Companies (Management and Administration) Rules, 2014, as amended, or other Law required to be passed by postal ballot, shall get any resolution passed by means of a postal ballot, instead of transacting the business in the General Meeting of the Company. Also, the Company may, in respect of any item of business other than ordinary business and any business in respect of which Directors or Auditors have a right to be heard at any meeting, transact the same by way of postal ballot.
- (b) Where the Company decides to pass any resolution by resorting to postal ballot, it shall follow the procedures as prescribed under Section 110 of the Act and the Companies (Management and Administration) Rules, 2014, as amended from time.

#### **41. VOTES OF MEMBERS**

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

- (c) Subject to the provisions of these Articles, without prejudice to any special privilege or restrictions as to voting for the time being attached to any class of shares for the time being forming a part of the Capital of the Company, every Shareholder not disqualified by the last preceding Article, shall be entitled to be present, and to speak and vote at such meeting, and on a show of hands, every Shareholder present in person shall have one vote and upon a poll, the voting right of such Shareholder present, either in person or by proxy, shall be in proportion to his share of the Paid Up Share Capital of the Company held alone or jointly with any other Person or Persons.

Provided however, if any Shareholder holding Preference shares be present at any meeting of the Company, save as provided in Section 47(2) of the Act, he shall have a right to vote only on resolutions placed before the Meeting, which directly affect the rights attached to his preference shares.

- (d) On a poll taken at a meeting of the Company, a Shareholder entitled to more than one vote, or his proxy, or any other Person entitled to vote for him (as the case may be), need not, if he votes, use or cast all his votes in the same way.
- (e) A Shareholder 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, through a committee or through his legal guardian; and any such committee or guardian may, on a poll vote by proxy. If any Shareholder be a minor his vote in respect of his Share(s) shall be exercised by his guardian(s), who may be selected (in case of dispute) by the Chairman of the meeting.
- (f) If there be joint registered holders of any shares, any one of such Persons may vote at any meeting or may appoint another Person, (whether a Shareholder or not) as his proxy in respect of such shares, as if he were solely entitled thereto; but the proxy so appointed shall not have any right to speak at the meeting and if more than one of such joint-holders be present at any meeting, then one of the said Persons so present whose name stands higher in the Register of Shareholders shall alone be entitled to speak and to vote in respect of such shares, but the other joint- holders shall be entitled to be present at the meeting. Several Executors or Administrators of a deceased Shareholder in whose name shares stand shall for the purpose of these Articles be deemed joint-holders thereof.
- (g) Subject to the provision of these Articles, votes may be given personally or by an attorney or by proxy. A body corporate, whether or not a Company within the meaning of the Act, being a Shareholder may vote either by a proxy or 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 right to vote by proxy), on behalf of the body corporate which he represents as that body could have exercised if it were an individual Shareholder.
- (h) Any Person entitled to transfer any shares of the Company may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that forty-eight hours at least before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall satisfy the Board of his right to such shares and give such indemnity (if any) as the Board may require unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.
- (i) Every proxy, (whether a Shareholder or not), shall be appointed in writing under the hand of the appointer or his attorney, or if such appointer is a corporation under the Common Seal of such corporation or be signed by an officer or an attorney duly

authorised by it, and any committee or guardian may appoint proxy. The proxy so appointed shall not have any right to speak at a meeting.

- (j) An instrument of proxy may appoint a proxy either for (i) the purposes of a particular meeting (as specified in the instrument) or (ii) for any adjournment thereof or (iii) it may appoint a proxy for the purposes of every meeting of the Company, or (iv) of every meeting to be held before a date specified in the instrument for every adjournment of any such meeting.
- (k) A Shareholder present by proxy shall be entitled to vote only on a poll.
- (l) An instrument appointing a proxy and a power of attorney or other authority (including by way of a Board Resolution, (if any),) under which it is signed or a notarially certified copy of that power or authority or resolution as the case may be, shall be deposited at the Office not later than forty-eight hours before the time for holding the meeting at which the Person named in the instrument proposes to vote 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 12 months from the date of its execution. An attorney shall not be entitled to vote unless the power of attorney or other instrument or resolution as the case may be appointing him or a notarially certified copy thereof has either been registered in the records of the Company at any time not less than forty-eight hours before the time for holding the meeting at which the attorney proposes to vote, or is deposited at the Office of the Company not less than forty-eight hours before the time fixed for such meeting as aforesaid. Notwithstanding that a power of attorney or other authority has been registered in the records of the Company, the Company may, by notice in writing addressed to the Shareholder or the attorney, given at least 48 (forty eight) hours before the meeting, require him to produce the original power of attorney or authority or resolution as the case may be and unless the same is deposited with the Company not less than forty-eight hours before the time fixed for the meeting, the attorney shall not be entitled to vote at such meeting unless the Board in their absolute discretion excuse such non-production and deposit.
- (m) Every instrument of proxy whether for a specified meeting or otherwise should, as far as circumstances admit, be in any of the forms set out in the Companies (Management and Administration) Rules, 2014.
- (n) If any such instrument of appointment be confined to the object of appointing an attorney or proxy for voting at meetings of the Company it shall remain permanently or for such time as the Directors may determine in the custody of the Company; if embracing other objects a copy thereof, examined with the original, shall be delivered to the Company to remain in the custody of the Company.
- (o) A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the principal, or revocation of the proxy or of any power of attorney under which such proxy was signed, or the transfer of the Share in respect of which the vote is given, provided that no intimation in writing of the death, revocation or transfer shall have been received at the Office before the meeting.
- (p) No objection shall be made to the validity of any vote, except at the Meeting or poll at which such vote shall be tendered, and every vote whether given personally or by proxy, not disallowed at such meeting or poll shall be deemed valid for all purposes of such meeting or poll whatsoever.

- (q) The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be in the sole judge of the validity of every vote tendered at such poll.
- (i) The Company shall cause minutes of all proceedings of every General Meeting to be kept by making within 30 (thirty) days of the conclusion of every such meeting concerned, entries thereof in books kept for that purpose with their pages consecutively numbered.
  - (ii) Each page of every such book shall be initialed or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the same meeting within the aforesaid period of 30 (thirty) days or in the event of the death or inability of that Chairman within that period, by a Director duly authorised by the Board for that purpose.
  - (iii) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.
  - (iv) The Minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.
  - (v) All appointments of Directors of the Company made at any meeting aforesaid shall be included in the minutes of the meeting.
  - (vi) Nothing herein contained shall require or be deemed to require the inclusion in any such Minutes of any matter which in the opinion of the Chairman of the Meeting (i) is or could reasonably be regarded as, defamatory of any person, or (ii) is irrelevant or immaterial to the proceedings, or (iii) is detrimental to the interests of the Company. The Chairman of the meeting shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the Minutes on the aforesaid grounds.
  - (vii) Any such Minutes shall be evidence of the proceedings recorded therein.
  - (viii) The book containing the Minutes of proceedings of General Meetings shall be kept at the Office of the Company and shall be open, during business hours, for such periods not being less in the aggregate than two hours in each day as the Board determines, for the inspection of any Shareholder without charge.
  - (ix) The Company shall cause minutes to be duly entered in books provided for the purpose of: -
    - a) the names of the Directors and Alternate Directors present at each General Meeting;
    - b) all Resolutions and proceedings of General Meeting.
  - (r) The Shareholders shall vote (whether in person or by proxy) all of the shares owned or held on record by them at any Annual or Extraordinary General Meeting of the Company called for the purpose of filling positions to the Board, appointed as a Director of the Company under Section 164(1) of the Act in accordance with these Articles.

- (s) The Shareholders will do nothing to prevent the taking of any action by the Company or act contrary to or with the intent to evade or defeat the terms as contained in these Articles.
- (t) All matters arising at a General Meeting of the Company, other than as specified in the Act or these Articles if any, shall be decided by a majority vote.
- (u) The Shareholders shall exercise their voting rights as shareholders of the Company to ensure that the Act or these Articles are implemented and acted upon by the Shareholders, and by the Company and to prevent the taking of any action by the Company or by any Shareholder, which is contrary to or with a view or intention to evade or defeat the terms as contained in these Articles.
- (v) Any corporation which is a Shareholder of the Company may, by resolution of the Board or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of the Company and the said person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could have exercised if it were an individual Shareholder in the Company (including the right to vote by proxy).
- (w) The Company shall also provide e-voting facility to the Shareholders of the Company in terms of the provisions of the Companies (Management and Administration) Rules, 2014, the listing agreement or any other Law, if applicable to the Company.

#### **42. DIRECTORS**

Subject to the applicable provisions of the Act, the number of Directors of the Company shall not be less than 3 (three) and not more than 15 (fifteen).

The Company shall also comply with the provisions of the Companies (Appointment and Qualification of Directors) Rules, 2014 and the provisions of the listing agreement.

The Board shall have an optimum combination of executive and Independent Directors with atleast 1 (one) woman Director, as may be prescribed by Law from time to time.

Upon listing of the Equity Shares pursuant to the initial public offering of the Company, IDBI Trusteeship Services Limited (acting in its capacity as trustee of India Advantage Fund-S3 I through its investment manager ICICI Venture Funds Management Company Limited) shall have the right to appoint one Director on the Board of Directors of the Company as long as it continues to hold any Equity Share.

#### **43. CHAIRMAN OF THE BOARD OF DIRECTORS**

- (a) The members of the Board shall elect any one of them as the Chairman of the Board. The Chairman shall preside at all meetings of the Board and the General Meeting of the Company. The Chairman shall have a casting vote in the event of a tie.
- (b) If for any reason the Chairman is not present at the meeting or is unwilling to act as Chairman, the members of the Board shall appoint any one of the remaining Directors as the Chairman.

#### **44. APPOINTMENT OF ALTERNATE DIRECTORS**

Subject to Section 161 of the Act, any Director shall be entitled to nominate an alternate director to act for him during his absence for a period of not less than 3 (three) months. The

Board may appoint such a person as an Alternate Director to act for a Director (hereinafter called “**the Original Director**”) (subject to such person being acceptable to the Chairman) during the Original Director’s absence for a period of not less than three months from the State in which the meetings of the Board are ordinarily held. An Alternate Director appointed under this Article shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to the State. If the term of the office of the Original Director is determined before he so returns to the State, any provisions in the Act or in these Articles for automatic re-appointment shall apply to the Original Director and not to the Alternate Director.

#### **45. CASUAL VACANCY AND ADDITIONAL DIRECTORS**

Subject to the applicable provisions of the Act and these Articles, the Board shall have the power at any time and from time to time to appoint any qualified Person to be a Director either as an addition to the Board or to fill a casual vacancy but so that the total number of Directors shall not at any time exceed the maximum number fixed under Article 42. Any Person so appointed as an addition shall hold office only up to the earlier of the date of the next Annual General Meeting or at the last date on which the Annual General Meeting should have been held but shall be eligible for appointment by the Company as a Director at that meeting subject to the applicable provisions of the Act.

#### **46. DEBENTURE DIRECTORS**

If it is provided by a trust deed, securing or otherwise, in connection with any issue of Debentures of the Company, that any Person/lender or Persons/lenders shall have power to nominate a Director of the Company, then in the case of any and every such issue of Debentures, the Person/lender or Persons/lenders having such power may exercise such power from time to time and appoint a Director accordingly. Any Director so appointed is herein referred to a Debenture Director. A Debenture Director may be removed from office at any time by the Person/lender or Persons/lenders in whom for the time being is vested the power under which he was appointed and another Director may be appointed in his place. A Debenture Director shall not be bound to hold any qualification shares and shall not be liable to retire by rotation or be removed by the Company. The trust deed may contain ancillary provisions as may be arranged between the Company and the trustees and all such provisions shall have effect notwithstanding any other provisions contained herein.

#### **47. INDEPENDENT DIRECTORS**

The Company shall have such number of Independent Directors on the Board of the Company, as may be required in terms of the provisions of Section 149 of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 or any other Law, as may be applicable. Further, such appointment of such Independent Directors shall be in terms of the aforesaid provisions of Law and subject to the requirements prescribed under Clause 49 of the listing agreement.

#### **48. EQUAL POWER TO DIRECTOR**

Except as otherwise provided in these Articles, all the Directors of the Company shall have in all matters, equal rights and privileges and shall be subject to equal obligations and duties in respect of the affairs of the Company.

#### **49. NOMINEE DIRECTORS**

Whenever the Board enter into a contract with any lenders for borrowing any money or for

providing any guarantee or security or for technical collaboration or assistance or enter into any other arrangement, the Board shall have, subject to the provisions of Section 152 of the Act the power to agree that such lenders shall have the right to appoint or nominate by a notice in writing addressed to the Company one or more Directors on the Board for such period and upon such conditions as may be mentioned in the common loan agreement/ facility agreement. The nominee director representing lenders shall not be required to hold qualification shares and not be liable to retire by rotation. The Directors may also agree that any such Director, or Directors may be removed from time to time by the lenders entitled to appoint or nominate them and such lenders may appoint another or other or others in his or their place and also fill in any vacancy which may occur as a result of any such Director, or Directors ceasing to hold that office for any reason whatever. The nominee director shall hold office only so long as any monies remain owed by the Company to such lenders.

The nominee director shall be entitled to all the rights and privileges of other Directors including the sitting fees and expenses as payable to other Directors but, if any other fees, commission, monies or remuneration in any form are payable to the Directors, the fees, commission, monies and remuneration in relation to such nominee director shall accrue to the lenders and the same shall accordingly be paid by the Company directly to the lenders.

Provided that if any such nominee director is an officer of any of the lenders, the sittings fees in relation to such nominee director shall also accrue to the lenders concerned and the same shall accordingly be paid by the Company directly to that lenders.

Any expenditure that may be incurred by the lenders or the nominee director in connection with the appointment or directorship shall be borne by the Company.

The nominee director so appointed shall be a member of the project management sub-committee, audit sub-committee and other sub-committees of the Board, if so desired by the lenders.

The nominee director shall be entitled to receive all notices, agenda, etc. and to attend all general meetings and Board meetings and meetings of any committee(s) of the Board of which he is a member and to receive all notices, agenda and minutes, etc. of the said meeting.

If at any time, the nominee director is not able to attend a meeting of Board or any of its committees, of which he is a member, the lenders may depute an observer to attend the meeting. The expenses incurred by the lenders in this connection shall be borne by the Company.

## **50. NO QUALIFICATION SHARES FOR DIRECTORS**

A Director shall not be required to hold any qualification shares of the Company.

## **51. REMUNERATION OF DIRECTORS**

- (a) Subject to the applicable provisions of the Act, the Rules, Law including the provisions of the listing agreement, a Managing Director or Managing Directors, and any other Director/s who is/are in the whole time employment of the Company may be paid remuneration either by a way of monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other, subject to the limits prescribed under the Act.
- (b) Subject to the applicable provisions of the Act, a Director (other than a Managing Director or an executive Director) may receive a sitting fee not exceeding such sum as may be prescribed by the Act or the central government from time to time for each

meeting of the Board or any Committee thereof attended by him.

- (c) The remuneration payable to each Director for every meeting of the Board or Committee of the Board attended by them shall be such sum as may be determined by the Board from time to time within the maximum limits prescribed from time to time by the Central Government pursuant to the first proviso to Section 197 of the Act.
- (d) All fees / compensation to be paid to non-executive Directors including Independent Directors shall be as fixed by the Board and shall require the prior approval of the Shareholders in a General meeting. Such approval shall also specify the limits for the maximum number of stock options that can be granted to a non-executive Director, in any financial year, and in aggregate. However, such prior approval of the Shareholders shall not be required in relation to the payment of sitting fees to non-executive Directors if the same is made within the prescribed limits under the Act for payment of sitting fees with approval of central government. Notwithstanding anything contained in this article, the Independent Directors shall not be eligible to receive any stock options.

## **52. SPECIAL REMUNERATION FOR EXTRA SERVICES RENDERED BY A DIRECTOR**

If any Director be called upon to perform extra services or special exertions or efforts (which expression shall include work done by a Director as a member of any Committee formed by the Directors), the Board may arrange with such Director for such special remuneration for such extra services or special exertions or efforts either by a fixed sum or otherwise as may be determined by the Board. Such remuneration may either be in addition, to or in substitution for his remuneration otherwise provided, subject to the applicable provisions of the Act.

## **53. TRAVEL EXPENSES OF DIRECTORS**

The Board may allow and pay to any Director, who is not a bona fide resident of the place where the meetings of the Board/Committee meetings are ordinarily held; and who shall come to such place for the purpose of attending any meeting, such sum as the Board may consider fair compensation for travelling, lodging and/ or other expenses, in addition to his fee for attending such Board / Committee meetings as above specified; and if any Director be called upon to go or reside out of his ordinary place of his residence on the Company's business, he shall be entitled to be repaid and reimbursed travelling and other expenses incurred in connection with the business of the Company in accordance with the provisions of the Act.

## **54. CONTINUING DIRECTORS**

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 Article 42 hereof, the continuing Directors not being less than two may act for the purpose of increasing the number of Directors to that number, or for summoning a General Meeting, but for no other purpose.

## **55. VACATION OF OFFICE BY DIRECTOR**

- (a) Subject to relevant provisions of Sections 167 and 188 of the Act, the office of a Director, shall *ipso facto* be vacated if:
  - (i) he is found to be of unsound mind by a court of competent jurisdiction; or
  - (ii) he applies to be adjudicated an insolvent; or

- (iii) he is adjudged an insolvent; or
- (iv) he is convicted by a court of any offence involving moral turpitude and is sentenced in respect thereof to imprisonment for not less than 6 (six) months; or
- (v) he fails to pay any calls made on him in respect of shares of the Company held by him whether alone or jointly with others, within 6 (six) months from the date fixed for the payment of such call, unless the Central Government has by notification in the Official Gazette removed the disqualification incurred by such failure; or
- (vi) he absents himself from 3 (three) consecutive meetings of the Board or from all Meetings of the Board for a continuous period of 3 (three) months, whichever is longer, without obtaining leave of absence from the Board; or
- (vii) he, (whether by himself or by any Person for his benefit or on his account), or any firm in which he is a partner, or any private company of which he is a director, accepts a loan, or any guarantee or security for a loan, from the Company, in contravention of Section 185 of the Act; or
- (viii) having been appointed a Director by virtue of his holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company; or
- (ix) he acts in contravention of Section 184 of the Act; or
- (x) he becomes disqualified by an order of the court under Section 203 of the Companies Act, 1956; or
- (xi) he is removed in pursuance of Section 169 of the Act; or
- (xii) he is disqualified under Section 164(2) of the Act.

Subject to the applicable provisions of the Act, a Director may resign his office at any time by notice in writing addressed to the Board and such resignation shall become effective upon its acceptance by the Board.

## **56. RELATED PARTY TRANSACTIONS**

- (a) Except with the consent of the Board or the Shareholders, as may be required in terms of the provisions of section 188 of the Companies Act, 2013 and the Companies (Meetings of Board and its Powers) Rules, 2014, no company shall enter into any contract or arrangement with a 'related party' with respect to :
  - i. sale, purchase or supply of any goods or materials;
  - ii. selling or otherwise disposing of, or buying, property of any kind;
  - iii. leasing of property of any kind;
  - iv. availing or rendering of any services;
  - v. appointment of any agent for purchase or sale of goods, materials, services or property;

- vi. such Director's or its relative's appointment to any office or place of profit in the company, its subsidiary company or associate company; and
- vii. underwriting the subscription of any securities or derivatives thereof, of the company:

without the consent of the Shareholders by way of a Special Resolution in accordance with Section 188 of the Act.

- (b) no Shareholder of the Company shall vote on such Special Resolution, to approve any contract or arrangement which may be entered into by the Company, if such Shareholder is a related party.
- (c) nothing in this Article shall apply to any transactions entered into by the Company in its ordinary course of business other than transactions which are not on an arm's length basis
- (d) The Director, so contracting or being so interested shall not be liable to the Company for any profit realised by any such contract or the fiduciary relation thereby established.
- (e) The terms "office of profit" and "arm's length basis" shall have the meaning ascribed to them under Section 188 of the Act.
- (f) The term 'related party' shall have the same meaning as ascribed to it under the Companies Act, 2013
- (g) The compliance of the Companies (Meetings of Board and its Powers) Rules, 2014 shall be made for the aforesaid contracts and arrangements.

## **57. DISCLOSURE OF INTEREST**

- (a) A Director of the Company who is in any way, whether directly or indirectly concerned or interested in a contract or arrangement, or proposed contract or arrangement entered into or to be entered into by or on behalf of the Company, shall disclose the nature of his concern or interest at a meeting of the Board in the manner provided in Section 184 of the Act; Provided that it shall not be necessary for a Director to disclose his concern or interest in any such contract or arrangement entered into or to be entered into with any other company where any of the Directors of the company or two or more of them together holds or hold not more than 2% (two per cent) of the Paid-up Share Capital in the other company or the Company as the case may be. A general notice given to the Board by the Director, to the effect that he is a director or member of a specified body corporate or is a member of a specified firm and is to be regarded as concerned or interested in any contract or arrangement which may, after the date of the notice, be entered into with that body corporate or firm, shall be deemed to be a sufficient disclosure of concern or interest in relation to any contract or arrangement so made. Any such general notice shall expire at the end of the Financial Year in which it is given but may be renewed for a further period of one Financial Year at a time by a fresh notice given in the last month of the Financial Year in which it would have otherwise expired. No such general notice, and no renewal thereof shall be of effect unless, either it is given at a meeting of the Board or the Director concerned takes reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given.
- (b) No Director shall as a Director, take any part in the discussion of, vote on any

contract or arrangement entered into or to be entered into by or on behalf of the Company, if he is in any way, whether directly or indirectly, concerned or interested in such contract or arrangements; nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote; and if he does vote, his vote shall be void; provided however that nothing herein contained shall apply to:-

- (i) any contract or indemnity against any loss which the Directors, or any one or more of them, may suffer by reason of becoming or being sureties or a surety for the Company;
- (ii) any contract or arrangement entered into or to be entered into with a public company or a private company which is subsidiary of a public company in which the interest of the Director consists solely,
  - 1. in his being –
    - I. a director of such company, and
    - II. the holder of not more than shares of such number or value therein as is requisite to qualify him for appointment as a Director thereof, he having been nominated as such Director by this Company, or
  - 2. in his being a member holding not more than 2 (two) per cent of its Paid-up Share Capital.

Subject to the provisions of Section 188 of the Act and other applicable provisions, if any, of the Act, any Director of the Company, any partner or relative of such Director, any firm in which such Director or a relative of such Director is a partner, any private company of which such Director is a director or member, and any director or manager of such private company, may hold any office or place of profit in the Company.

- (c) The Company shall keep a Register in accordance with Section 189 of the Act and shall within the time specified therein enter therein such of the particulars as may be. The Register aforesaid shall also specify, in relation to each Director of the Company, the names of the bodies corporate and firms of which notice has been given by him under Article 57(a). The Register shall be kept at the Office of the Company and shall be open to inspection at such Office, and extracts may be taken therefrom and copies thereof may be required by any Shareholder of the Company to the same extent, in the same manner, and on payment of the same fee as in the case of the Register of Shareholders of the Company and the provisions of Section 94 of the Act shall apply accordingly.
- (d) A Director may be or become a Director of any Company promoted by the Company, or on which it may be interested as a vendor, shareholder, or otherwise, and no such Director shall be accountable for any benefits received as director or shareholder of such Company except in so far as Section 188 or Section 197 of the Act as may be applicable.

## **58. ONE-THIRD OF DIRECTORS TO RETIRE EVERY YEAR**

At the Annual General Meeting of the Company to be held in every year, one third of such of the Directors as are liable to retire by rotation for time being, or, if their number is not three or a multiple of three then the number nearest to one third shall retire from office, and they will

be eligible for re-election. Provided nevertheless that the managing Director or whole-time Director(s), appointed or the Directors appointed as a Debenture Director under Articles hereto shall not retire by rotation under this Article nor shall they be included in calculating the total number of Directors of whom one third shall retire from office under this Article.

**59. PROCEDURE, IF PLACE OF RETIRING DIRECTORS IS NOT FILLED UP**

- (a) If the place of the retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a national holiday, till the next succeeding day which is not a national holiday, at the same time and place.
- (b) If at the adjourned meeting also, the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been reappointed at the adjourned meeting, unless:-
  - (i) at that meeting or at the previous meeting a resolution for the reappointment of such Director has been put to the meeting and lost;
  - (ii) retiring Director has, by a notice in writing addressed to the Company or its Board, expressed his unwillingness to be so reappointed;
  - (iii) he is not qualified or is disqualified for appointment;
  - (iv) a resolution whether special or ordinary is required for the appointment or reappointment by virtue of any applicable provisions of the Act.

**60. COMPANY MAY INCREASE OR REDUCE THE NUMBER OF DIRECTORS.**

Subject to Article 42 and Section 149 and 152 of the Act, the Company may, by Ordinary Resolution, from time to time, increase or reduce the number of Directors, and may alter their qualifications and the Company may, (subject to the provisions of Section 169 of the Act), remove any Director before the expiration of his period of office and appoint another qualified in his stead. The person so appointed shall hold office during such time as the Director in whose place he is appointed would have held the same if he had not been removed.

**61. REGISTER OF DIRECTORS ETC.**

- (a) The Company shall keep at its Office, a Register containing the particulars of its Directors, Managing Directors, Manager, Secretaries and other Persons mentioned in Section 170 of the Act and shall otherwise comply with the provisions of the said Section in all respects.
- (b) The Company shall in respect of each of its Directors also keep at its Office a Register, as required by Section 170 of the Act, and shall otherwise duly comply with the provisions of the said Section in all respects.

**62. DISCLOSURE BY DIRECTOR OF APPOINTMENT TO ANY OTHER BODY CORPORATE.**

Every Director shall in accordance with the provisions of Companies (Meeting of Board and its Powers) Rules, 2014 shall disclose his concern or interest in any company or companies or bodies corporate (including shareholding interest), firms or other association of individuals by

giving a notice in accordance with such rules.

**63. MANAGING DIRECTOR(S)/ WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S)/ MANAGER**

Subject to the provisions of Section 203 of the Act and of these Articles, the Board shall have the power to appoint from time to time any full time employee of the Company as Managing Director/ whole time director or executive director or manager of the Company. The Managing Director(s) or the whole time director(s) manager or executive director(s), as the case may be, so appointed, shall be responsible for and in charge of the day to day management and affairs of the Company and subject to the applicable provisions of the Act and these Articles, the Board shall vest in such Managing Director/s or the whole time director(s) or manager or executive director(s), as the case may be, all the powers vested in the Board generally. The remuneration of a Managing Director/ whole time director or executive director or manager may be by way of monthly payment, fee for each meeting or participation in profits, or by any or all those modes or any other mode not expressly prohibited by the Act.

**64. PROVISIONS TO WHICH MANAGING DIRECTOR(S)/ WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S)/ MANAGER ARE SUBJECT**

Notwithstanding anything contained herein, a Managing Director(s) / whole time director(s) / executive director(s) / manager shall subject to the provisions of any contract between him and the Company be subject to the same provisions as to resignation and removal as the other Directors of the Company, and if he ceases to hold the office of a Director he shall ipso facto and immediately cease to be a Managing Director(s) / whole time director(s) / executive director(s) / manager, and if he ceases to hold the office of a Managing Director(s) / whole time director(s) / executive director(s)/ manager he shall ipso facto and immediately cease to be a Director.

**65. REMUNERATION OF MANAGING DIRECTOR(S)/ WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S)/ MANAGER**

The remuneration of the Managing Director(s) / whole time director(s) / executive director(s) / manager shall (subject to Sections 196, 197 and 203 and other applicable provisions of the Act and of these Articles and of any contract between him and the Company) be fixed by the Directors, from time to time and may be by way of fixed salary and/or perquisites or commission or profits of the Company or by participation in such profits, or by any or all these modes or any other mode not expressly prohibited by the Act.

**66. POWER AND DUTIES OF MANAGING DIRECTOR(S)/ WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S)/ MANAGER**

Subject to the superintendence, control and direction of the Board, the day-to-day management of the Company shall be in the hands of the Managing Director(s)/ whole time director(s) / executive director(s)/ manager s in the manner as deemed fit by the Board and subject to the applicable provisions of the Act, and these Articles, the Board may by resolution vest any such Managing Director(s)/ whole time director(s) / executive director(s)/ manager with 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 the applicable provisions of the Act, and these Articles confer such power either collaterally with or to the exclusion of or in substitution for all or any of the Directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any of such powers.

## **67. POWER TO BE EXERCISED BY THE BOARD ONLY BY MEETING**

The Board shall exercise the following powers on behalf of the Company and the said powers shall be exercised only by resolutions passed at the meeting of the Board: -

- (a) to make calls on Shareholders in respect of money unpaid on their shares;
- (b) to authorise buy-back of securities under Section 68 of the Act;
- (c) to issue securities, including debentures, whether in or outside India;
- (d) to borrow money(ies);
- (e) to invest the funds of the Company;
- (f) to grant loans or give guarantee or provide security in respect of loans;
- (g) to approve financial statements and the Board's report;
- (h) to diversify the business of the Company;
- (i) to approve amalgamation, merger or reconstruction;
- (j) to take over a company or acquire a controlling or substantial stake in another company;
- (k) fees/ compensation payable to non-executive directors including independent directors of the Company; and
- (l) any other matter which may be prescribed under the Companies (Meetings of Board and its Powers) Rules, 2014 and the listing agreement.

The Board may, by a resolution passed at a meeting, delegate to any Committee of Directors, the Managing Director, or to any person permitted by Law the powers specified in sub clauses (d) to (f) above.

The aforesaid powers shall be exercised in accordance with the provisions of the Companies (Meetings of Board and its Powers) Rules, 2014 and shall be subject to the provisions of section 180 of the Act.

In terms of Section 180 of the Act, the Board may exercise the following powers subject to receipt of consent by the Company by way of a Special Resolution:

- (a) to sell, lease or otherwise dispose of the whole or substantial part of the undertaking of the Company;
- (b) to borrow money; and
- (c) any such other matter as may be prescribed under the Act, the listing agreement and other applicable provisions of Law.

## **68. MAKING LIABILITY OF DIRECTORS UNLIMITED**

The Company may, by Special Resolution in a General Meeting, alter its Memorandum of Association so as to render unlimited the liability of its Directors or of any Director or manager, in accordance with Section 323 of the Companies Act, 1956.

## **69. PROCEEDINGS OF THE BOARD OF DIRECTORS**

- (a) Board Meetings shall be held at least once in every 3 (three) month period and there shall be at least 4 (four) Board Meetings in any calendar year and there should not be a gap of more than 120 (one hundred twenty) days between two consecutive Board Meetings. Meetings shall be held in Mumbai, or such a place as may be decided by the Board.
- (b) The participation of Directors in a meeting of the Board may be either in person or through video conferencing or other audio visual means, as may be prescribed, which are capable of recording and recognising the participation of the Directors and of recording and storing the proceedings of such meetings along with date and time. However, such matters as provided under the Companies (Meetings of Board and its Powers) Rules, 2014 shall not be dealt with in a meeting through video conferencing or other audio visual means. Any meeting of the Board held through video conferencing or other audio visual means shall only be held in accordance with the Companies (Meetings of Board and its Powers) Rules, 2014.
- (c) The Company Secretary shall, as and when directed by the Chairman convene a meeting of the Board by giving a notice in writing to every Director in accordance with the provisions of the Act and the Companies (Meetings of Board and its Powers) Rules, 2014.
- (d) The Board may meet either at the Office of the Company, or at any other location in India or outside India as the Chairman may determine.
- (e) At least 7 (seven) days' notice of every meeting of the Board shall be given in writing to every Director for the time being at his address registered with the Company and such notice shall be sent by hand delivery or by post or by electronic means. A meeting of the Board may be convened in accordance with these Articles by a shorter notice in case of any emergency as directed by the Chairman or the Managing Director or the Executive Director, as the case may be, subject to the presence of 1 (one) Independent Director in the said meeting. If an Independent Director is not present in the said meeting, then decisions taken at the said meeting shall be circulated to all the Directors and shall be final only upon ratification by one independent Director. Such notice or shorter notice may be sent by post or by fax or e-mail depending upon the circumstances.
- (f) At any Board Meeting, each Director may exercise 1 (one) vote. The adoption of any resolution of the Board shall require the affirmative vote of a majority of the Directors present at a duly constituted Board Meeting.

## **70. QUORUM FOR BOARD MEETING**

- (a) Quorum for Board Meetings

Subject to the provisions of Section 174 of the Act, the quorum for each Board Meeting shall be one-third of its total strength and the presence of Directors by video conferencing or by other audio visual means shall also be counted for the purposes of calculating quorum.

If any duly convened Board Meeting cannot be held for want of a quorum, then such a meeting shall automatically stand adjourned for 7 (seven) days after the original meeting at the same time and place, or if that day is a national holiday, on the succeeding day which is not a public holiday to the same time and place. Provided

however, the adjourned meeting may be held on such other date and such other place as may be unanimously agreed to by all the Directors in accordance with the provisions of the Act.

- (b) If in the event of a quorum once again not being available at such an adjourned meeting, the Directors present shall constitute the quorum and may transact business for which the meeting has been called.

## **71. QUESTIONS AT THE BOARD MEETINGS HOW DECIDED**

- (a) Questions arising at any meeting of the Board, other than as specified in these Articles and the Act, if any, shall be decided by a majority vote. In the case of an equality of votes, the Chairman shall have a second or casting vote.
- (b) No regulation made by the Company in General Meeting, shall invalidate any prior act of the Board, which would have been valid if that regulation had not been made.

## **72. ELECTION OF CHAIRMAN OF BOARD**

- (a) The Board may elect a chairman of its meeting and determine the period for which he is to hold office.
- (b) If no such chairman is elected, or at any meeting the chairman is not present within five minutes after the time appointed for holding the meeting the Directors present may choose one among themselves to be the chairman of the meeting.

## **73. POWERS OF THE BOARD**

Subject to the applicable provisions of the Act, these Articles and other applicable provisions of Law: -

- (a) The Board shall be entitled to exercise all such power and to do all such acts and things as the Company is authorised to exercise and do under the applicable provisions of the Act or by the memorandum and articles of association of the Company.
- (b) The Board is vested with the entire management and control of the Company, including as regards any and all decisions and resolutions to be passed, for and on behalf of the Company.
- (c) Provided that the Board shall not, except with the consent of the Company by a Special Resolution:-
  - i. 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 such undertaking. The term 'undertaking' and the expression 'substantially the whole of the undertaking' shall have the meaning ascribed to them under the provisions of Section 180 of the Act;
  - ii. Remit, or give time for repayment of, any debt due by a Director;
  - iii. Invest otherwise than in trust securities the amount of compensation received by the Company as a result of any merger or amalgamation; and

- iv. Borrow money(ies) where the money(ies) to be borrowed together with the money(ies) already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of businesses), will exceed the aggregate of the paid-up capital of the Company and its free reserves.

#### **74. COMMITTEES AND DELEGATION BY THE BOARD**

- (a) The Company shall constitute such Committees as may be required under the Act, applicable provisions of Law and the listing agreement. Without prejudice to the powers conferred by the other Articles and so as not to in any way to limit or restrict those powers, the Board may, subject to the provisions of Section 179 of the Act, delegate any of its powers to the Managing Director(s), the executive director(s) or manager or the chief executive officer of the Company. The Managing Director(s), the executive director(s) or the manager or the chief executive officer(s) as aforesaid shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on them by the Board and all acts done by them in exercise of the powers so delegated and in conformity with such regulations shall have the like force and effect as if done by the Board.
- (b) Subject to the applicable provisions of the Act, the requirements of Law and these Articles, the Board may delegate any of its powers to Committees of the Board consisting of such member or members of the Board as it thinks fit, and it may from time to time revoke and discharge any such committee of the Board either wholly or in part and either as to persons or purposes. Every 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. All acts done by any such Committee of the Board in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.
- (c) The meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulation made by the Directors under the last preceding Article.
- (d) The Board of the Company shall in accordance with the provisions of the Companies (Meetings of the Board and its Powers) Rules, 2014 or any other Law and the provisions of the listing agreement, form such committees as may be required under such rules in the manner specified therein, if the same are applicable to the Company.

#### **75. ACTS OF BOARD OR COMMITTEE VALID NOTWITHSTANDING INFORMAL APPOINTMENT**

All acts undertaken at any meeting of the Board or of a Committee of the Board, or by any person acting as a Director shall, notwithstanding that it may afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director. Provided that nothing in this Article shall be deemed to give validity to the acts undertaken by a Director after his appointment has been shown to the Company to be invalid or to have been terminated.

## **76. PASSING OF RESOLUTION BY CIRCULATION**

No resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation, unless the resolution has been circulated in draft form, together with the necessary papers, if any, to all the Directors, or members of the Committee, as the case may be, at their addresses registered with the Company in India by hand delivery or by post or by courier, or through such electronic means as may be provided under the Companies (Meetings of Board and its Powers) Rules, 2014 and has been approved by majority of Directors or members, who are entitled to vote on the resolution. However, in case one-third of the total number of Directors 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 meeting of the Board.

A resolution mentioned above shall be noted at a subsequent meeting of the Board or the Committee thereof, as the case may be, and made part of the minutes of such meeting.

## **77. MINUTES OF THE PROCEEDINGS OF THE MEETING OF THE BOARD**

- (a) The Company shall prepare minutes of each Board Meeting and the entries thereof in books kept for that purpose with their pages consecutively numbered. Such minutes shall contain a fair and correct summary of the proceedings conducted at the Board Meeting.
- (b) The Company shall circulate the minutes of the meeting to each Director within 7 (seven) Business Days after the Board Meeting.
- (c) Each page of every such book shall be initialed or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting.
- (d) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.
- (e) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat and shall also contain: -
  - (i) all appointments of Officers;
  - (ii) the names of the Directors present at each meeting of the Board;
  - (iii) all resolutions and proceedings of the meetings of the Board;
  - (iv) the names of the Directors, if any, dissenting from, or not concurring in, any resolution passed by the Board.
- (f) Nothing contained in sub Articles (a) to (e) above shall be deemed to require the inclusion in any such minutes of any matter which in the opinion of the Chairman of the meeting: -
  - (i) is or could reasonably be regarded as defamatory of any person;
  - (ii) is irrelevant or immaterial to the proceedings; or
  - (iii) is detrimental to the interests of the Company.

- (g) The Chairman shall exercise absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the ground specified in sub Article (f) above.
- (h) Minutes of meetings kept in accordance with the aforesaid provisions shall be evidence of the proceedings recorded therein.
- (i) The minutes kept and recorded under this Article shall also comply with the provisions of Secretarial Standard 3 issued by the Institute of Company Secretaries of India constituted under the Company Secretaries Act, 1980 and approved as such by the central government and applicable provisions of the Act and Law.

## **78. REGISTER OF CHARGES**

The Directors shall cause a proper register to be kept, in accordance with the applicable provisions of the Act, of all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the applicable provisions of the Act in regard to the registration of mortgages and charges therein specified.

## **79. CHARGE OF UNCALLED CAPITAL**

Where any uncalled capital of the Company is charged as security or other security is created on such uncalled capital, the Directors may authorize, subject to the applicable provisions of the Act and these Articles, making calls on the Shareholders in respect of such uncalled capital in trust for the person in whose favour such charge is executed.

## **80. SUBSEQUENT ASSIGNS OF UNCALLED CAPITAL**

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

## **81. CHARGE IN FAVOUR OF DIRECTOR FOR INDEMNITY**

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

## **82. OFFICERS**

- (a) The Company shall have its own professional management and such officers shall be appointed from time to time as designated by its Board. The officers of the Company shall serve at the discretion of the Board.
- (b) The officers of the Company shall be responsible for the implementation of the decisions of the Board, subject to the authority and directions of the Board and shall conduct the day to day business of the Company.
- (c) The officers of the Company shall be the Persons in charge of and responsible to the Company for the conduct of the business of the Company and shall be concerned and responsible to ensure full and due compliance with all statutory laws, rules and regulations as are required to be complied with by the Company and/or by the Board of the Company.

- (d) Qualified experienced managerial and marketing executives and other officers shall be appointed for the operation and conduct of the business of the Company.
- (e) The Board shall appoint with the approval of the Chairman, the President and/or Chief Executive Officer and/or Chief Operating Officer of the Company, as well as persons who will be appointed to the posts of senior executive management.

### **83. THE SECRETARY**

- (a) Subject to the provisions of Section 383A of the Companies Act, 1956, the Board may, from time to time, appoint any individual as Secretary of the Company to perform such functions, which by the Act or these Articles for the time being of the Company are to be performed by the Secretary and to execute any other duties which may from time to time be assigned to him by the Board. The Board may confer upon the Secretary so appointed any powers and duties as are not by the Act or by these Articles required to be exercised by the Board and may from time to time revoke, withdraw, alter or vary all or any of them. The Board may also at any time appoint some individual (who need not be the Secretary), to maintain the Registers required to be kept by the Company.
- (b) The Secretary shall be an individual responsible to ensure that there shall be no default, non-compliance, failure, refusal or contravention of any of the applicable provisions of the Act, or any rules, regulations or directions which the Company is required to conform to or which the Board of the Company are required to conform to and shall be designated as such and be the officer in default.

### **84. DIRECTORS' & OFFICERS' LIABILITY INSURANCE**

Subject to the provisions of the Act and Law, the Company shall procure, at its own cost, comprehensive directors and officers liability insurance for each Director which shall not form a part of the remuneration payable to the Directors in the circumstances described under Section 197 of the Act: -

- (a) on terms approved by the Board;
- (b) which includes each Director as a policyholder;
- (c) is from an internationally recognised insurer approved by the Board; and
- (d) for a coverage for claims of an amount not less than the Rupee equivalent of Rs. 1,00,00,000 (Rupees One Crore Only) in the aggregate or as may be decided by the Board, from time to time.

### **85. SEAL**

- (a) The Board shall provide a Common 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 Board shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by the authority of the Board or a Committee of the Board, previously given.
- (b) The Company shall also be at liberty to have an official Seal(s) in accordance with Section 50 of the Companies Act, 1956, for use in any territory, district or place outside India.

- (c) Every deed or other instrument to which the Seal of the Company is required to be affixed shall unless the same is executed by a duly constituted attorney, be signed by (i) 2 (two) Directors or (ii) by 1 (one) Director and the Secretary or (iii) by 1 (one) Director and any other person as may be authorised by the Board for that purpose.

## **86. ACCOUNTS**

- (a) The Company shall prepare and keep at the Office books of accounts or other relevant books and papers and financial statements for every financial year which give a true and fair view of the state of affairs of the Company, including its branch office or offices, if any, and explain the transactions effected both at the Office and its branches and such books shall be kept on accrual basis and according to the double entry system of accounting.
- (b) Where the Board decides to keep all or any of the books of account at any place other than the Office, the Company shall, within 7 (seven) days of the decision, file with the Registrar, a notice in writing giving the full address of that other place. The Company may also keep such books of accounts or other relevant papers in electronic mode in accordance with the provisions of the Act.
- (c) The Company shall preserve in good order the books of account relating to a period of not less than eight years preceding the current year.
- (d) When the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with this 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 dates at intervals of not more than three months, are sent by the branch office to the Company at its office or at the other place in India, at which the Company's books of account are kept as aforesaid.
- (e) No Shareholder (not being a Director) shall have any right of inspecting any account or books or documents of the Company except specified under the Act and Law.
- (f) In accordance with the provisions of the Act, along with the financial statements laid before the Shareholders, there shall be laid a 'Board's report' which shall include:
  - i. the extract of the annual return as provided under sub-section (3) of Section 92 of the Act;
  - ii. number of meetings of the Board;
  - iii. Directors' responsibility statement as per the provisions of Section 134 (5) of the Act;
  - iv. a statement on declaration given by Independent Directors under sub-section (6) of Section 149 of the Act;
  - v. in the event applicable, as specified under sub-section (1) of Section 178 of the Act, Company's policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of Section 178 of the Act;
  - vi. explanations or comments by the Board on every qualification, reservation or adverse remark or disclaimer made-

1. by the auditor in his report; and
  2. by the company secretary in practice in his secretarial audit report;
- vii. particulars of loans, guarantees or investments under Section 186 of the Act;
  - viii. particulars of contracts or arrangements with related parties referred to in sub-section (1) of Section 188 in the prescribed form;
  - ix. the state of the company's affairs;
  - x. the amounts, if any, which it proposes to carry to any reserves;
  - xi. the amount, if any, which it recommends should be paid by way of Dividends;
  - xii. material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report;
  - xiii. the conservation of energy, technology absorption, foreign exchange earnings and outgo, in such manner as may be prescribed;
  - xiv. a statement indicating development and implementation of a risk management policy for the company including identification therein of elements of risk, if any, which in the opinion of the Board may threaten the existence of the company;
  - xv. the details about the policy developed and implemented by the company on corporate social responsibility initiatives taken during the year;
  - xvi. in case of a listed company and every other public company having such paid-up share capital as may be prescribed, a statement indicating the manner in which formal annual evaluation has been made by the Board of its own performance and that of its committees and individual directors;
  - xvii. such other matters as may be prescribed under the Law, from time to time.
- (g) All the aforesaid books shall give a fair and true view of the affairs of the Company or its branch office, as the case may be, with respect to the matters herein and explain its transactions.

## **87. AUDIT AND AUDITORS**

- (a) Auditors shall be appointed and their rights and duties shall be regulated in accordance with Sections 139 to 147 of the Act and as specified under Law.
- (b) Every account of the Company when audited shall be approved by a General Meeting and shall be conclusive except as regards any error discovered therein within three months next after the approval thereof. Whenever any such error is discovered within that period the account shall forthwith be corrected, and henceforth shall be conclusive.
- (c) Every balance sheet and profit and loss account shall be audited by one or more Auditors to be appointed as hereinafter set out.

- (d) The Company at the Annual General Meeting in each year shall appoint an Auditor or Auditors to hold office from the conclusion of that meeting until conclusion of the next Annual General Meeting and every Auditor so appointed shall be intimated of his appointment within 7 (seven) days.
- (e) Where at an Annual General Meeting, no Auditors are appointed, the Central Government may appoint a person to fill the vacancy and fix the remuneration to be paid to him by the Company for his services.
- (f) The Company shall within 7 (seven) days of the Central Government's power under sub clause (b) becoming exercisable, give notice of that fact to the Government.
- (g) The Directors may fill any casual vacancy in the office of an Auditor but while any such vacancy continues, the remaining auditors (if any) may act. Where such a vacancy is caused by the resignation of an Auditor, the vacancy shall only be filled by the Company in General Meeting.
- (h) A person, other than a retiring Auditor, shall not be capable of being appointed at an Annual General Meeting unless special notice of a resolution of appointment of that person to the office of Auditor has been given by a Shareholder to the Company not less than 14 (fourteen) days before the meeting in accordance with Section 115 of the Act, and the Company shall send a copy of any such notice to the retiring Auditor and shall give notice thereof to the Shareholders in accordance with provisions of Section 115 of the Act and all the other provision of Section 140 of the Act shall apply in the matter. The provisions of this sub-clause shall also apply to a resolution that a retiring auditor shall not be re-appointed.
- (i) The persons qualified for appointment as Auditors shall be only those referred to in Section 141 of the Act.
- (j) None of the persons mentioned in Section 141 of the Act as are not qualified for appointment as auditors shall be appointed as Auditors of the Company.

## **88. AUDIT OF BRANCH OFFICES**

The Company shall comply with the applicable provisions of the Act and the Companies (Audit and Auditor) Rules, 2014 in relation to the audit of the accounts of branch offices of the Company.

## **89. REMUNERATION OF AUDITORS**

The remuneration of the Auditors shall be fixed by the Company as authorized in General Meeting from time to time in accordance with the provisions of the Act and the Companies (Audit and Auditor) Rules, 2014.

## **90. DOCUMENTS AND NOTICES**

- (a) A document or notice may be given or served by the Company to or on any Shareholder whether having his registered address within or outside India either personally or by sending it by post to him to his registered address.
- (b) Where a document or notice is sent by post, service 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 Shareholder 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 acknowledgement due or by cable or telegram and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the document or notice shall be deemed to be effected unless it is sent in the manner intimated by the Shareholder. Such service shall be deemed to have effected in the case of a notice of a meeting, at the expiration of forty eight hours after the letter containing the document or notice is posted or after a telegram has been dispatched and in any case, at the time at which the letter would be delivered in the ordinary course of post or the cable or telegram would be transmitted in the ordinary course.

- (c) A document or notice may be given or served by the Company to or on the joint-holders of a Share by giving or serving the document or notice to or on the joint-holder named first in the Register of Shareholders in respect of the Share.
- (d) 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 Share, which previous to his name and address being entered on the register of Shareholders, shall have been duly served on or given to the Person from whom he derives his title to such Share.
- (e) Any document or notice to be given or served by the Company may be signed by a Director or the Secretary or some Person duly authorised by the Board for such purpose and the signature thereto may be written, printed, photostat or lithographed.
- (f) All documents or notices to be given or served by Shareholders on or to the Company or to any officer thereof shall be served or given by sending the same 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.
- (g) Where a Document is sent by electronic mail, service thereof shall be deemed to be effected properly, where a member has registered his electronic mail address with the Company and has intimated the Company that documents should be sent to his registered email address, without acknowledgement due. Provided that the Company, shall provide each member an opportunity to register his email address and change therein from time to time with the Company or the concerned depository. The Company shall fulfill all conditions required by Law, in this regard.

#### **91. SHAREHOLDERS TO NOTIFY ADDRESS IN INDIA**

Each registered Shareholder from time to time notify in writing to the Company such place in India to be registered as his address and such registered place of address shall for all purposes be deemed to be his place of residence.

#### **92. SERVICE ON MEMBERS HAVING NO REGISTERED ADDRESS**

If a Shareholder does not have registered address in India, and has not supplied to the Company any address within India, for the giving of the notices to him, a document advertised in a newspaper circulating in the neighborhood of Office of the Company shall be deemed to be duly served to him on the day on which the advertisement appears.

#### **93. SERVICE ON PERSONS ACQUIRING SHARES ON DEATH OR INSOLVENCY OF SHAREHOLDERS**

A document may be served by the Company on the persons entitled to a share in consequence of the death or insolvency of a Shareholders by sending it through the post in a prepaid letter

addressed to them by name or by the title or representatives of the deceased, assignees of the insolvent by any like description at the address (if any) in India supplied for the purpose by the persons claiming to be so entitled, or (until such an address has been so supplied) by serving the document in any manner in which the same might have been served as if the death or insolvency had not occurred.

**94. PERSONS ENTITLED TO NOTICE OF GENERAL MEETINGS**

Subject to the applicable provisions of the Act and these Articles, notice of General Meeting shall be given:

- (i) To the Shareholders of the Company as provided by these Articles.
- (ii) To the persons entitled to a share in consequence of the death or insolvency of a Shareholder.
- (iii) To the Auditors for the time being of the Company; in the manner authorized by as in the case of any Shareholder of the Company.

**95. NOTICE BY ADVERTISEMENT**

Subject to the applicable provisions of the Act, any document required to be served or sent by the Company on or to the Shareholders, or any of them and not expressly provided for by these Articles, shall be deemed to be duly served or sent if advertised in a newspaper circulating in the District in which the Office is situated.

**96. DIVIDEND POLICY**

- (a) The profits of the Company, subject to any special rights relating thereto being created or authorised to be created by the Memorandum or these Articles and subject to the provisions of these Articles shall be divisible among the Shareholders in proportion to the amount of Capital Paid-up or credited as Paid-up and to the period during the year for which the Capital is Paid-up on the shares held by them respectively. Provided always that, (subject as aforesaid), any Capital Paid-up on a Share during the period in respect of which a Dividend is declared, shall unless the Directors otherwise determine, only entitle the holder of such Share to an apportioned amount of such Dividend as from the date of payment.
- (b) Subject to the provisions of Section 123 of the Act the Company in General Meeting may declare Dividends, to be paid to Shareholders according to their respective rights and interests in the profits. No Dividends shall exceed the amount recommended by the Board, but the Company in General Meeting may, declare a smaller Dividend, and may fix the time for payments not exceeding 30 (thirty) days from the declaration thereof.
- (c) (i) No Dividend shall be declared or paid otherwise than out of profits of the Financial Year arrived at after providing for depreciation in accordance with the provisions of Section 123 of the Act or out of the profits of the Company for any previous Financial Year or years arrived at after providing for depreciation in accordance with those provisions and remaining undistributed or out of both provided that: -
  - 1) if the Company has not provided for depreciation for any previous Financial Year or years it shall, before declaring or paying a Dividend for any Financial Year provide for such depreciation out of

the profits of that Financial Year or out of the profits of any other previous Financial Year or years, and

- 2) if the Company has incurred any loss in any previous Financial Year or years the amount of the loss or an amount which is equal to the amount provided for depreciation for that year or those years whichever is less, shall be set off against the profits of the Company for the year for which the Dividend is proposed to be declared or paid or against the profits of the Company for any previous Financial Year or years arrived at in both cases after providing for depreciation in accordance with the provisions of Section 123 of the Act against both.
- (ii) The declaration of the Board as to the amount of the net profits shall be conclusive.
  - (d) The Board may, from time to time, pay to the Shareholders such interim Dividend as in their judgment the position of the Company justifies.
  - (e) Where Capital is paid in advance of calls upon the footing that the same shall carry interest, such Capital shall not whilst carrying interest, confer a right to participate in profits or Dividend.
  - (f)
    - (i) Subject to the rights of Persons, if any, entitled to shares with special rights as to Dividend, all Dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof Dividend is paid but if and so long as nothing is Paid upon any shares in the Company, Dividends may be declared and paid according to the amount of the shares.
    - (ii) No amount paid or credited as paid on shares in advance of calls shall be treated for the purpose of this regulation as paid on shares.
    - (iii) 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 shares are issued on terms providing that it shall rank for Dividend as from a particular date such shares shall rank for Dividend accordingly.
  - (g) Subject to the applicable provisions of the Act and these Articles, the Board may retain the Dividends payable upon shares in respect of any Person, until such Person shall have become a Shareholder, in respect of such shares or until such shares shall have been duly transferred to him.
  - (h) Any one of several Persons who are registered as the joint-holders of any Share may give effectual receipts for all Dividends or bonus and payments on account of Dividends or bonus or sale proceeds of fractional certificates or other money(ies) payable in respect of such shares.
  - (i) Subject to the applicable provisions of the Act, no Shareholder shall be entitled to receive payment of any interest or Dividends 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); either alone or jointly with any other Person or Persons; and the Board may deduct from the interest or Dividend payable to any such Shareholder all sums of money so due from him to the Company.

- (j) Subject to Section 126 of the Act, a transfer of shares shall not pass the right to any Dividend declared thereon before the registration of the transfer.
- (k) Unless otherwise directed any Dividend may be paid by cheque or warrant or by a pay slip or receipt (having the force of a cheque or warrant) and sent by post or courier or by any other legally permissible means to the registered address of the Shareholder or Person entitled or in case of joint-holders to that one of them first named in the Register of Shareholders in respect of the joint-holding. Every such cheque or warrant shall be made payable to the order of the Person to whom it is sent and in case of joint-holders to that one of them first named in the Register of Shareholders in respect of the joint-holding. 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 a Shareholder or Person entitled thereto, by a forged endorsement of any cheque or warrant or a forged signature on any pay slip or receipt of a fraudulent recovery of Dividend. If 2 (two) or more Persons are registered as joint-holders of any Share(s) any one of them can give effectual receipts for any money(ies) payable in respect thereof. Several Executors or Administrators of a deceased Shareholder in whose sole name any Share stands shall for the purposes of this Article be deemed to be joint-holders thereof.
- (l) No unpaid Dividend shall bear interest as against the Company.
- (m) Any General Meeting declaring a Dividend may on the recommendation of the Board, make a call on the Shareholders of such amount as the Meeting fixes, but so that the call on each Shareholder shall not exceed the Dividend payable to him, and so that the call will be made payable at the same time as the Dividend; and the Dividend may, if so arranged as between the Company and the Shareholders, be set-off against such calls.
- (n) Notwithstanding anything contained in this Article, the dividend policy of the Company shall be governed by the applicable provisions of the Act and Law.
- (o) The Company may pay dividends on shares in proportion to the amount paid-up on each Share in accordance with Section 51 of the Act.

## **97. UNPAID OR UNCLAIMED DIVIDEND**

- (a) If the Company has declared a Dividend but which has not been paid or the Dividend warrant in respect thereof has not been posted or sent within 30 (thirty) days from the date of declaration, transfer the total amount of dividend, which remained unpaid or unclaimed within 7 (seven) days from the date of expiry of the said period of 30 (thirty) days to a special account to be opened by the Company in that behalf in any scheduled bank to be called the “Unpaid Dividend of IMAGICAAWORLD ENTERTAINMENT LIMITED\*”.

**\* (1) Deletion of word Private from the name of the Company vide Special resolution passed at the Extra Ordinary General Meeting held on 13<sup>th</sup> February, 2010**

**(2) Name changed from Adlabs Entertainment Limited to “Imagicaaworld Entertainment Limited” pursuant to Special Resolution passed by way of Postal Ballot dated March 23, 2020**

- (b) Any money so transferred to the unpaid Dividend account of the Company which remains unpaid or unclaimed for a period of 7 (seven) years from the date of such transfer, shall be transferred by the Company to the Fund established under sub-section (1) of Section 125 of the Act, viz. “Investors Education and Protection Fund”.
- (c) No unpaid or unclaimed Dividend shall be forfeited by the Board before the claim becomes barred by Law.

## **98. CAPITALIZATION OF PROFITS**

The Company in General Meeting may, upon the recommendation of the Board, resolve:

- (a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company’s reserve accounts or to the credit of the Company’s profit and loss account or otherwise, as available for distribution, and
- (b) that such sum be accordingly set free from distribution in the manner specified herein below in sub-article (iii) as amongst the Shareholders who would have been entitled thereto, if distributed by way of Dividends and in the same proportions.
- (c) The sum aforesaid shall not be paid in cash but shall be applied either in or towards:
  - (i) paying up any amounts for the time being unpaid on any shares held by such Shareholders respectively;
  - (ii) paying up in full, un-issued shares of the Company to be allotted, distributed and credited as fully Paid up, to and amongst such Shareholders in the proportions aforesaid; or
  - (iii) partly in the way specified in sub-article (i) and partly in the way specified in sub-article (ii).
- (d) A share premium account may be applied as per Section 52 of the Act, 2013, and a capital redemption reserve account may, duly be applied in paying up of unissued shares to be issued to Shareholders of the Company as fully paid bonus shares.

## **99. RESOLUTION FOR CAPITALISATION OF RESERVES AND ISSUE OF FRACTIONAL CERTIFICATE**

- (a) The Board shall give effect to a Resolution passed by the Company in pursuance of this regulation.
- (b) Whenever such a Resolution as aforesaid shall have been passed, the Board shall:
  - (i) make all appropriation and applications of undivided profits (resolved to be capitalized thereby), and all allotments and issues of fully paid shares or Securities, if any; and
  - (ii) generally do all acts and things required to give effect thereto.

- (c) The Board shall have full power:
  - (i) to make such provisions, by the issue of fractional certificates or by payments in cash or otherwise as it thinks fit, in the case of shares or debentures becoming distributable in fraction; and also
  - (ii) to authorize any person, on behalf of all the Shareholders entitled thereto, to enter into an agreement with the Company providing for the allotment to such Shareholders, credited as fully paid up, of any further shares or debentures to which they may be entitled upon such capitalization or (as the case may require) for the payment of by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised of the amounts or any parts of the amounts remaining unpaid on the shares.
- (d) Any agreement made under such authority shall be effective and binding on all such Shareholders.

#### **100. DISTRIBUTION OF ASSETS IN SPECIE OR KIND UPON WINDING UP**

- (a) 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, divide amongst the Shareholders, in specie or kind the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.
- (b) 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 Shareholders or different classes of Shareholders.

#### **101. DIRECTORS' AND OTHERS' RIGHTS TO INDEMNITY**

Subject to the provisions of Section 197 of the Act, every Director, Manager and other officer or employee of the Company shall be indemnified by the Company against any liability incurred by him and it shall be the duty of the Directors to pay out of the funds of the Company all costs, losses and expenses which any Director, Manager, officer or employee may incur or become liable to by reason of any contract entered into by him on behalf of the Company or in any way in the discharge of his duties and in particular, and so as not to limit the generality of the foregoing provision, against all liabilities incurred by him as such Director, Manager, officer or employee in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or he is acquitted or in connection with any application under Section 463 of the Act in which relief is granted by the court and the amount for which such indemnity is provided shall immediately attach as a lien on the property of the Company and have priority as between the Shareholders over all claims.

#### **102. DIRECTORS ETC., NOT LIABLE FOR CERTAIN ACTS**

Subject to the provisions of Section 197 of the Act, no Director, Manager, officer or employee of the Company shall be liable for the acts, defaults, receipts and neglects of any other Director, Manager, officer or employee or for joining in any receipts or other act for the sake of conformity or for any loss or expenses happening to the Company through the insufficiency, or deficiency of any security in or upon which any of the monies of the Company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any Person with whom any money(ies), Securities or effects shall be deposited or for any loss occasioned by an error of judgment or oversight on his part, or for any other loss, damage or misfortune whatsoever which shall happen in the execution thereof

unless the same shall happen through his own negligence, default, misfeasance, breach of duty or breach of trust.

Without prejudice to the generality foregoing it is hereby expressly declared that any filing fee payable or any document required to be filed with Registrar of Companies in respect of any act done or required to be done by any Director or other Officer by reason of his holding the said office, shall be paid and borne by the Company.

### **103. INSPECTION BY SHAREHOLDERS**

The register of charges, register of investments, register of Shareholders, books of accounts and the minutes of the meetings of the Board and Shareholders shall be kept at the Office of the Company and shall be open, during business hours, for such periods not being less in the aggregate than two hours in each day as the Board determines, for the inspection of any Shareholder without charge. In the event such Shareholder conducting inspection of the abovementioned documents requires extracts of the same, the Company may charge a fee which shall not exceed Rupees ten per page or such other limit as may be prescribed under the Act or other applicable provisions of Law.

### **104. AMENDMENT TO MEMORANDUM AND ARTICLES OF ASSOCIATION**

- (a) The Shareholders shall vote for all the Equity Shares owned or held on record by such Shareholders at any Annual or Extraordinary General Meeting of the Company in accordance with these Articles.
- (b) The Shareholders shall not pass any resolution or take any decision which is contrary to any of the terms of these Articles.
- (c) The Articles of the Company shall not be amended unless (i) Shareholders holding not less than 75% of the Equity Shares (and who are entitled to attend and vote) cast votes in favour of each such amendment/s to the Articles.

### **105. SECRECY**

No Shareholder shall be entitled to inspect the Company's works without the permission of the managing Director/Directors or to require discovery of any information respectively any detail of the Company's trading or any matter which is or may be in the nature of a trade secret, history of trade or secret process which may be related to the conduct of the business of the Company and which in the opinion of the managing Director/Directors will be inexpedient in the interest of the Shareholders of the Company to communicate to the public.

### **106. DUTIES OF OFFICERS TO OBSERVE SECRECY**

Every Director, managing Directors, manager, Secretary, Auditor, trustee, members of committee, Officer, servant, agent, accountant or other persons employed in the business of the Company shall, if so required by the Director before entering upon his duties, or any time during his term of office, sign a declaration pledging himself to observe secrecy relating to all transactions of the Company and the state of accounts and in matters relating thereto and shall by such declaration pledge himself not to reveal any of such matters which may come to his knowledge in the discharge of his official duties except which are required so to do by the Directors or the Auditors or by a resolution of the Company in a General Meeting or by a court of Law and except so far as may be necessary in order to comply with any of the provision of these Articles or Law. Nothing herein contained shall affect the powers of the Central Government or any officer appointed by the Government to require or to hold an investigation into the Company's affairs.

**107. PROVISIONS OF COMPANIES ACT, 1956 SHALL CEASE TO HAVE EFFECT**

Notwithstanding anything contained in these Articles, the provisions of the Companies Act, 1956, as are mentioned under these Articles shall cease to have any effect once the said provisions are repealed upon notification of the corresponding provisions under the Act.

**ARTICLES OF ASSOCIATION**

**OF**

**IMAGICAAWORLD ENTERTAINMENT LIMITED**  
**[Formerly Adlabs Entertainment Limited]**

**PART-II**

## PART II

Part II of these Articles includes the rights and obligations of the parties to the investment agreement dated August 30, 2013 entered into between the Company, IDBI Trusteeship Services Limited, acting as a debenture trustee for India Advantage Fund-S3 I (acting through ICICI Venture Funds Management Company Limited), Thrill Park Limited, Manmohan Shetty and Aarti Shetty.

In the event of any inconsistency between Part I and Part II of these Articles, the provisions of Part II shall prevail over Part I. However, Part II of these Articles shall automatically terminate and cease to have any force and effect and deemed to fall away on and from the date of listing of the Equity Shares on a stock exchange in India, subsequent to an initial public offering of the Equity Shares without any further action by the Company or by the Shareholders.

### 1. CONSTITUTION OF THE COMPANY

(a) *The Regulations contained in Table 'F' of Schedule I to the Companies Act, 2013 shall apply only in so far as the same are not provided for or are not inconsistent with these Articles.*

(b) *The Regulations for the management of the Company and for the observance of the members thereof and their representatives shall be such as are contained in these Articles subject however to the exercise of the statutory powers of the Company in respect of repeal, additions, alterations, substitution, modifications and variations thereto by Special Resolution as prescribed by as prescribed by the Companies Act, 2013.*

### 2. INTERPRETATION

#### A. DEFINITIONS

In the interpretation of these Articles, the following words and expressions shall have the following meanings unless repugnant to the subject or context.

**“Accelerated IPO Date”** shall have the meaning ascribed to such term in Article 33(d)(i).

**“Accounts”** shall mean the audited balance sheet of the Company as on the Accounts Date and the audited statements of profit and loss of the Company for the period ended as on the Accounts Date.

**“Accounts Date”** shall mean March 31, 2013.

**“Act”** and any reference to any section or provision thereof respectively, shall mean and include the Companies Act, 2013 including any statutory amendments thereto and the Rules made thereunder, and notified from time to time. .

**“Adjusted Qualified Liquidity Event Valuation”** shall mean the amount equal to [Qualified Liquidity Event Valuation \* (1-Intermediate Round Stake)], where it is clarified that in the event that no Intermediate Funding Rounds have occurred, then the Adjusted Qualified Liquidity Event Valuation shall be equal to the Qualified Liquidity Event Valuation.

**“Adjustment Events”** shall mean any alteration of the entire Equity Share Capital of the Company in any manner following the Completion, including pursuant to an issuance of

Equity Securities, issue of bonus shares, stock split, sub-division, consolidation or any similar corporate action.

“**ADRs**” shall mean American Depositary Receipts representing ADSs.

“**Affiliates**” of a Person (the “**Subject Person**”) shall mean (i) in the case of any Subject Person other than a natural Person, any other Person that, either directly or indirectly through one or more intermediate Persons, Controls, is Controlled by or is under common Control with the Subject Person, and (ii) in relation to a natural person any other Person that, either directly or indirectly, is Controlled by the Subject Person, and including any Relative of such natural person.

Without prejudice to the generality of the foregoing, the term “**Affiliate**”, in respect of the Investor, shall be deemed to include, without limitation any fund, collective investment scheme, trust, partnership (including, without limitation, any co-investment partnership), special purpose or other vehicle or any subsidiary or affiliate of any of the foregoing, which is managed, advised or administered by ICICI Venture, whether on the date of the Agreement, or in the future. It is further clarified that the term “Affiliate” in respect of the Investor shall not include any investee company of the funds managed, advised or administered by ICICI Venture.

“**Aggregate Qualified Secondary Sale Price**” shall have the meaning ascribed to such term in Article 30(c).

“**Agreement**” shall mean the Investment Agreement dated August 30, 2013, together with the Schedules thereto, entered into by and among the Company, the Promoters and IDBI Trusteeship Services Limited, as trustee for India Advantage Fund – S3 I, acting through its investment manager, ICICI Venture Funds Management Company Limited.

“**Annual General Meeting**” shall mean a General Meeting of the holders of Equity Shares held in accordance with the applicable provisions of the Act;

“**ADR Facility**” shall mean an ADR Facility established by the Company with a Depository Bank to hold any Equity Shares as established pursuant to a Deposit Agreement and subsequently as amended or replaced from time to time.

“**ADSs**” shall mean and include American Depositary Shares, each of which represents a certain number of Equity Shares.

“**Articles**” shall mean these Articles of Association as adopted or as from time to time altered in accordance with the provisions of these Articles and the Act.

“**Auditors**” shall mean and includes those persons appointed as such for the time being by the Company.

“**Balance IPO Issue Size**” shall have the meaning ascribed to such term in Article 29(c)(i).

“**Big 5 Accounting Firm**” shall mean Ernst & Young, KPMG, PricewaterhouseCoopers, Deloitte Haskins & Sells, Grant Thornton and their respective affiliates.

“**Board**” shall mean the board of Directors of the Company, as constituted from time to time, in accordance with Law and the provisions of these Articles.

“**Board Meeting**” shall mean any meeting of the Board, as convened from time to time and any adjournment thereof, in accordance with Law and the provisions of these Articles.

**“Business”** shall mean collectively, the Core Activities and Non-Core Activities, as may be conducted by the Company from time to time.

**“Business Day”** shall mean any day other than a Saturday, Sunday or any day on which banks in Mumbai, India are permitted to be closed.

**“Business Plan”** shall mean the financial plan for the development of the Project and any other business of the Company as undertaken from time to time, agreed to between the Parties, setting out *inter alia* the projected plan for completion of the Project including any anticipated expenditure and timelines and milestones for achieving development and completion of the Project, amounts of funding required to cover any working capital and Loss Funding in connection with the Project, indebtedness, future capital and fund raising and such other parameters as agreed to between the Parties.

**“Beneficial Owner”** shall mean beneficial owner as defined in Clause (a) of Sub-Section (1) of Section 2 of the Depositories Act.

**“Capital” or “Share Capital”** shall mean the share capital for the time being, raised or authorised to be raised, for the purposes of the Company.

**“CCD Conversion Number”** shall have the meaning ascribed to such term in Article 29 (d)(iv).

**“Chairman”** shall mean such person as is nominated or appointed in accordance with Article 47 and 54 herein below.

**“Companies Act, 1956”** shall mean the Companies Act, 1956 (Act I of 1956), as may be in force for the time being.

**“Company” or “this Company”** shall mean **IMAGICAAWORLD ENTERTAINMENT LIMITED\***.

**“Committees”** shall have the meaning ascribed to such term in Article 85(d).

**“Competitor”** shall mean any Person, excluding a Financial Investor, who derives a material proportion of its revenue and assets through the conduct of Core Activities.

**“Completion”** shall mean the completion of the issue and allotment by the Company of, and the subscription by the Investor to, the Subscription Securities, in accordance with the terms and conditions contained in the Agreement.

**“Completion Date”** shall have the meaning ascribed to such term in the Agreement.

**“Condition Precedent”** shall have the meaning ascribed to such term in the Agreement.

**“Control”** shall include the right to appoint a majority of the Directors or to control the management or policy decisions of a company or an entity, exercisable by a person or persons acting individually or jointly or in concert, directly or indirectly, including by virtue of their shareholding or management rights or members agreements or voting agreements or in any other manner and the terms “Controlled” and “Controlling” shall be construed accordingly;

*\* (1) Deletion of word Private from the name of the Company vide Special resolution passed at the Extra Ordinary General Meeting held on 13<sup>th</sup> February, 2010*

*(2) Name changed from Adlabs Entertainment Limited to “Imagicaaworld Entertainment*

***Limited” pursuant to Special Resolution passed by way of Postal Ballot dated March 23, 2020***

“**Consent**” shall mean any notice, consent, approval, authorization, waiver, permit, grant, concession, clearance, license, certificate, exemption, order, registration declaration, filing, report or notice, of, with or to, as the case may be, by any Person (including any Governmental Authority).

“**Contract**” shall mean all written or oral contracts, agreements, engagements, leases, financial instruments, memoranda of understanding, term sheets, undertakings and other written contractual arrangements.

“**Control**” (together with its correlative meanings, “**Controlled by**” and “**under common Control with**”) shall mean, with respect to any Person (the “**Subject Person**”), the possession, directly or indirectly, of power to direct or cause the direction of management or policies of the Subject Person (whether through ownership of voting securities or partnership or other ownership interests, by Contract or otherwise).

“**Conversion Factor**” shall mean:

- a. in the event that a Qualified IPO is completed within the First QIPO Window and at an Adjusted Qualified Liquidity Event Valuation not exceeding INR 15,000,000,000 (Rupees fifteen billion): 1.6;
- b. in the event that a Qualified IPO is completed within the First QIPO Window and at an Adjusted Qualified Liquidity Event Valuation in excess of INR 15,000,000,000 (Rupees fifteen billion): 1.8;
- c. in the event that a Qualified IPO is completed within the Second QIPO Window: 2.0;
- d. in the event that a Qualified Liquidity Event is completed after the expiry of the Second QIPO Window:  $2.0 * [(1+25\%)^{(\text{time period from the expiry of the Second QIPO Window and up to the date of occurrence of the Qualified Liquidity Event})}]$ ; and
- e. in the event that the Promoter Put Option is exercised by the Investor:  $2.0 * [(1+25\%)^{(\text{time period from the expiry of the Second QIPO Window and up to the Put Honour Date})}]$ .
- f. in the event that the Drag Along Sale is exercised by the Investor:  $2.0 * [(1+25\%)^{(\text{time period from the expiry of the Second QIPO Window and up to the Drag Along Completion Date})}]$ .

“**Conversion Ratio**” shall mean the number of Equity Shares issued to the Investor for each Investor CCD, upon conversion of the Investor CCDs on the date of conversion of such Investor CCDs, where such conversion ratio is calculated as  $[(\text{New Investor Shares on Conversion}) \div (\text{Investor CCDs})]$ .

“**Core Activities**” shall mean the business of establishing and developing theme parks, amusement parks, entertainment projects and water parks, including the Project, and such other core activities as may be carried out by the Company in the future, with the prior written approval of the Investor, obtained in accordance with the terms of these Articles, but shall not include the business of establishing malls, multiplexes, film studios and production of music, film and television or such activities as may be carried out as a part of such carved-out businesses.

**“Cure Period”** shall mean, with respect to any event of default as set out under Article 33(b), a period of 30 (thirty) days from the earlier of (i) the date of a Promoter Default Notice, and (ii) the date of receipt of an Investor Default Notice.

**“D&O Policy”** shall mean a directors’ and officers’ liability insurance policy issued by a reputable insurance company acceptable to the Investor, in respect of all claims or liabilities resulting from the actions or omissions of a Director to the extent permitted by Law.

**“Debenture”** shall include debenture stock, bonds and any other securities of the Company, whether constituting a charge on the assets of the Company or not.

**“Deemed Liquidation”** shall have the meaning ascribed to such term in Article 34 (a).

**“Depositories Act”** shall mean the Depositories Act, 1996 and shall include any statutory modification or re-enactment thereof;

**“Depository”** shall mean a Depository as defined in Clause (e) of Sub-Section (1) of Section 2 of the Depositories Act;

**“Director”** shall mean any director of the Company, including alternate directors and Investor Directors, Independent Directors and nominee directors appointed in accordance with Law and the provisions of these Articles.

**“Dilution”** shall have the meaning ascribed to such term in Article 27(b)(ii).

**“Disclosure Schedule”** shall have the meaning ascribed to such term in the Agreement.

**“Drag Along Completion Date”** shall have the meaning ascribed to such term in Article 33(g).

**“Drag Along Sale”** shall have the meaning ascribed to such term in Article 33(f).

**“Drag Along Sale Price”** shall have the meaning ascribed to such term in Article 33(g).

**“Drag Equity Value”** shall mean the equity value of the Company ascribed to the Company by the Drag Offeror, in determining the Drag Along Sale Price at which the Drag Offeror has offered to acquire the Securities of the Company pursuant to Article 33(h).

**“Drag Exit Offers”** shall have the meaning ascribed to such term in Article 33(f).

**“Drag Offeror”** shall have the meaning ascribed to such term in Article 33(f).

**“Employee Stock Option Scheme”** or **“ESOP”** shall mean a scheme under which the Company grants an option to any permissible class of persons giving to such persons, subject to applicable laws and regulations, the benefit or right to purchase or subscribe at a future date, the securities offered by the Company at a predetermined price.

**“Encumbrance”** shall mean (i) any mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, assignment, deed of trust, security interest or other encumbrance of any kind securing, or conferring any priority of payment in respect of, any obligation of any Person, including without limitation any right granted by a transaction which, in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security under applicable Law, (ii) any voting agreement, interest, option, right of first offer, refusal or transfer restriction, including any non-disposal undertaking or lock-in, in favour of any Person, and (iii) any adverse claim as to title, possession or use.

**“Environment”** shall mean all or any of the following media (alone or in combination): air (including the air within buildings and the air within other natural or man-made structures whether above or below ground); water (including water under or within land or in drains or sewers); land and any ecological systems and living organisms supported by these media.

**“Environmental Law”** shall mean any Law relating to the Environment, pollution of the Environment or human health.

**“Environmental License”** shall mean any Consent, which is issued, granted or required under Environmental Law.

**“Equity Share Capital”** shall mean the total issued and paid-up equity share capital of the Company, calculated on a Fully Diluted Basis.

**“Equity Shares”** shall mean fully paid-up equity shares of the Company having a par value of INR 10 (Rupees ten) per equity share, and 1 (one) vote per equity share or any other issued Share Capital of the Company that is reclassified, reorganized, reconstituted or converted into Equity Shares.

**“Equity Securities”** shall mean Equity Shares or any other securities, debentures, warrants or options that are, directly or indirectly convertible into, or exercisable or exchangeable into or for Equity Shares.

**“Executor”** or **“Administrator”** shall mean a person who has obtained Probate or Letters of Administration, as the case may be, from a Court of competent jurisdiction and shall include the holder of a Succession Certificate authorizing the holder thereof to negotiate or transfer the Equity Share or Equity Shares of the deceased Shareholder and shall also include the holder of a Certificate granted by the Administrator-General appointed under the Administrator Generals Act, 1963.

**“Extended Liquidity Window”** shall mean the period commencing on the 1st (first) Business Day following the expiry of the Second QIPO Window and ending on the expiry of 54 (fifty four) months from the Completion Date.

**“Extraordinary General Meeting”** shall mean an Extraordinary General Meeting of the holders Equity Shares duly called and constituted in accordance with the Act and any adjournment thereof;

**“Financial Investor”** shall mean:

- a. Any private equity fund, hedge fund, venture capital fund; or
- b. Any fund, division within an investment bank, banks, financial institutions or sovereign wealth funds that is engaged in the business of making private equity, hedge, venture or other financial or proprietary investments, but makes such investments without any intention of entering into a strategic affiliation, joint venture, partnership, alliance, cooperation or similar commercial arrangement.

**“Financial Year”** shall mean any fiscal year of the Company, beginning on April 1 of each calendar year and ending on March 31 of the following calendar year.

**“First Offer Right”** shall have the meaning ascribed to such term in Article 27(c)(i).

**“First QIPO Window”** shall mean the period commencing on the 1st (first) Business Day following the Completion Date and ending on the expiry of 18 (eighteen) months from the

Completion Date, which period may be extended by 2 (two) months by the Promoter.

**“FMV”** shall have the meaning ascribed to such term in the Agreement.

**“Fully Diluted Basis”** shall mean, in reference to any calculation, that the calculation should be made in relation to the equity share capital of any Person, assuming that all outstanding convertible preference shares or debentures, options, warrants and other equity securities convertible into or exercisable or exchangeable for equity shares of that Person (whether or not by their terms then currently convertible, exercisable or exchangeable), have been so converted, exercised or exchanged to the maximum number of equity shares possible under the terms thereof.

**“GDRs”** shall mean the registered Global Depositary Receipts, representing GDSs.

**“GDSs”** shall mean the Global Depositary Shares, each of which represents a certain number of Equity Shares.

**“General Meeting”** shall mean a meeting of holders of Equity Shares and any adjournment thereof.

**“Governmental Approval”** shall mean any Consent of, from or to any Governmental Authority.

**“Governmental Authority”** shall mean any nation or government or any province, state or any other political subdivision thereof; any entity, authority or body exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, including any agency, department, board, commission or instrumentality of India or any political subdivision thereof or any other jurisdiction, any court, tribunal or arbitrator and any securities exchange or body or authority regulating such securities exchange.

**“ICICI Venture”** shall mean ICICI Venture Funds Management Company Limited, a public limited company incorporated under the Act having its registered office at Ground Floor, “ICICI Venture House”, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025.

**“Identified Adjustment Events”** shall mean any alteration of the entire Equity Share Capital of the Company pursuant to a stock split, sub-division, consolidation, or issue of bonus shares.

**“Indebtedness”** shall mean any indebtedness whatsoever of the Company at any time for or in respect of monies borrowed, any amount availed of by acceptance of any credit facility, any amount raised pursuant to the issuance of any notes, bonds, redeemable preference shares, debentures, or any other similar securities or instruments, contracted or raised (whether or not for cash consideration) or liabilities contracted by whatever means (including, without limitation, liabilities under guarantees, letters of comfort, letters of credit etc.).

**“Independent Director”** shall mean an independent director as defined under the Act and under clause 49 of the listing agreement.

**“India”** shall mean the Republic of India.

**“Indian GAAP”** shall mean the generally accepted accounting standards and principles which are recommended by the Institute of Chartered Accountants of India and used by companies in India in the preparation of their financial statements from time to time and consistently applied and shall also include such other accounting standards and principles as may be made applicable from time to time.

**“Intangible and Intellectual Property”** includes any registered and/or applied for registration and pending, in any jurisdiction and any and all registrations or rights to apply for (or applications for the grant of) the same, know-how, patents, trademarks, service marks, designs, copyrights, moral rights and neighbouring rights, data base rights and mask works, trade or business names, internet domain names, inventions, processes, geographical indications, trade secrets and similar rights and the benefit (subject to the burden), know-how, integrated circuits, exploitation of any present or future technologies, proprietary information, and other industrial property rights, and all rights or forms of protection having equivalent or similar effect to any of the foregoing which may subsist anywhere in the world.

**“Instrument FMV”** shall mean the amount resulting from FMV multiplied by [Subscription Consideration divided by (FMV divided by Conversion Factor, subject to the Post-Money Entry Amount)], adjusted for any Adjustment Events.

**“Instrument FMV for Qualified Offer”** shall mean the amount resulting from Liquidity Equity Valuation multiplied by [Subscription Consideration divided by (Liquidity Equity Valuation divided by Conversion Factor, subject to the Post-Money Entry Amount)]

**“Intermediate Funding Rounds”** shall mean any funding invested in the Company, by way of subscription to Equity Securities, at any time between the Completion Date and the date of conversion of the Investor CCDs in accordance with these Articles, and excluding any Carved-Out Funding Rounds.

**“Intermediate Round Stake”** shall mean such percentage of the Equity Share Capital of the Company that has been issued against the Intermediate Funding Rounds, calculated on a Fully Diluted Basis.

**“Investment Instrument Value”** shall mean the amount resulting from the [(Subscription Consideration divided by the Post Money Equity Valuation), multiplied by (the Adjusted Qualified Liquidity Event Valuation)].

**“Investor”** shall mean IDBI Trusteeship Services Limited, as trustee for India Advantage Fund-S3 I, acting through its investment manager, ICICI Venture Funds Management Company Limited.

**“Investor CCDs”** shall have the meaning ascribed to such term in Recital E of the Agreement.

**“Investor Consent”** shall mean the prior written consent of the Investor issued by an authorized representative of the Investor.

**“Investor Default Notice”** shall have the meaning ascribed to such term in Article 33(c).

**“Investor Directors”** shall have the meaning ascribed to such term in Article 52(b).

**“Investor Director Notice”** shall have the meaning ascribed to such term in Article 52(f).

**“Investor Offered Securities”** shall have the meaning ascribed to such term in Article 27(d)(ii).

**“Investor Purchaser”** shall have the meaning ascribed to such term in Article 27(d)(v).

**“Investor Revised Price”** shall have the meaning ascribed to such term in Article 27(d)(v).

**“Investor Revised Price Notice”** shall have the meaning ascribed to such term in Article

27(d)(v).

**“Investor Sale Securities”** shall have the meaning ascribed to such term in Article 30(b).

**“Investor Securities”** shall mean any Securities held by the Investor and/or any of its Affiliates in the Company, from time to time.

**“Investor Shareholding”** shall mean the percentage of the [Subscription Consideration / Post-Money Equity Valuation].

**“Investor Shares”** shall have the meaning ascribed to such term in Recital E of the Agreement.

**“Investor Threshold”** shall mean such number of Equity Securities held by the Investor in the Company as is equal to 20% (twenty per cent) of the Subscription Securities subscribed to by the Investor on a Fully Diluted Basis at Completion, adjusted for any Identified Adjustment Events.

**“Investor Transfer Notice”** shall have the meaning ascribed to such term in Article 27(d)(ii).

**“Investor Transferring Shareholder”** shall have the meaning ascribed to such term in Article 27 (d)(i).

**“IPO”** shall mean the public offering of Equity Shares, whether by means of a public issue or an offer for sale, and listing of the Equity Shares and their admission to trading on a Recognized Stock Exchange.

**“IPO Commencement Date”** shall mean, in the event of a Qualified IPO proposed to be completed (i) within the First QIPO Window, the 1<sup>st</sup> (first) Business Day of the First QIPO Window; (ii) within the Second QIPO Window, the 1<sup>st</sup> (first) Business Day of the Second QIPO Window; and (iii) within the Extended Liquidity Window, the 1<sup>st</sup> (first) Business Day of the Extended Liquidity Window.

**“IPO Committee”** shall have the meaning ascribed to such term in Article 29(d)(ii).

**“IPO Completion Date”** shall mean, in the event of a Qualified IPO proposed to be completed (i) within the First QIPO Window, the last Business Day of the First QIPO Window; (ii) within the Second QIPO Window, the last Business Day of the Second QIPO Window; and (iii) within the Extended Liquidity Window, the last Business Day of the Extended Liquidity Window.

**“IPO Lead Advisor”** shall have the meaning ascribed to such term in Article 29(d)(iii).

**“Key Officers”** shall mean the persons holding designations equivalent to the designations mentioned in **Part F (Section 1)** of **Schedule 1** of the Agreement.

**“Law”** shall mean all applicable provisions of all (i) constitutions, treaties, statutes, laws (including the common law), codes, rules, regulations, circulars, ordinances or orders of any Governmental Authority, (ii) Governmental Approvals, (iii) orders, decisions, injunctions, judgments, awards and decrees of or agreements with any Governmental Authority, (iv) rules of any stock exchange, (v) international treaties, conventions and protocols, and (vi) Indian GAAP or any other generally accepted accounting principles.

**“Licences”** shall mean all consents, licenses, certificates, permits, grants or other authorizations necessary for the conduct of the business of the Company.

**“Liquidation”** shall have the meaning ascribed to such term in Article 34.

**“Liquidation Preference Amount”** shall have the meaning ascribed to such term in Article 34(a)(i).

**“Liquidity Event Date”** shall mean the date on which (i) the Investor Securities are purchased by the nominee of the Promoters pursuant to a Qualified Offer; and (ii) the Liquidity Event Price is received by the Investor from the Promoters’ nominee, in immediately available funds.

**“Liquidity Event Price”** shall mean an aggregate price not lower than the Subscription Consideration compounded at an IRR of 17% p.a. (seventeen per cent per annum) for the period between the Completion Date and the Liquidity Event Date.

**“Liquidity Equity Valuation”** shall have the meaning ascribed to such term in Article 32(d).

**“Liquidity Event Securities”** shall have the meaning ascribed to such term in Article 32(d).

**“Locked-In Shareholding”** shall have the meaning ascribed to such term in Article 27(b)(i).

**“Loss Funding”** shall mean an aggregate amount equal to the Monthly Cash Loss of the Company, commencing from the Completion Date, until such time that the Company reaches Stable Breakeven State.

**“Managing Director”** shall have the meaning assigned to it under the Act.

**“MCA”** shall mean the Ministry of Corporate Affairs, Government of India;

**“Memorandum”** shall mean the memorandum of association of the Company, as amended from time to time.

**“Minimum IPO Fresh Issue Size”** shall have the meaning ascribed to such term in Article 29 c)(i).

**“Modify”** and **“Modification”** shall include the making of additions and/or omissions.

**“Month”** shall mean a calendar month.

**“Monthly Cash Loss”** shall mean such amount as is equal to the [(operating cash loss of the Company) minus (interest payments) minus (any Taxes)].

**“MS”** shall mean Mr. Manmohan Shetty.

**“New Investor Shares on Conversion”** shall mean such number of Equity Shares as is equal to the [Total Investor Shares upon Conversion minus the Investor Shares].

**“New Securities”** shall have the meaning ascribed to such term in Article 20(a).

**“Non-Completion Event”** shall have the meaning ascribed to such term in Article 29 i)(i).

**“Non-Core Activities”** shall mean the business of establishing and developing hotels, resorts and retail and dining areas, development of real estate and construction, and such other businesses as may be carried out by the Company in the future, with the prior written approval of the Investor, obtained in accordance with the terms of these Articles; provided that in the event that any such Non-Core Activities are carried out in the vicinity of any Core Activity conducted by the Company (including without limitation in the vicinity of the

Project) or if any such Non-Core Activity is conducted such that it derives any benefit or value from the conduct of the Core Activities of the Company (including without limitation from the Project), then such Non-Core Activity shall be deemed to be a Core Activity.

**“NRI”** shall have the meaning assigned to that expression for the purposes of the NRI investment scheme by the Government of India and/or under the Exchange Control Manual and/or the Foreign Exchange Management Act, 1999 and/or The Income Tax Act, 1961, as the case may be.

**“Non-retiring Director/s”** shall mean Director(s) of the Board who are appointed pursuant to Articles 45.

**“Offer Election Notice”** shall have the meaning ascribed to such term in Article 27(c)(iii).

**“Offer Period”** shall have the meaning ascribed to such term in Article 27(c)(iii).

**“Offer Price”** shall have the meaning ascribed to such term in Article 27(c)(iii).

**“Offer to Honour Put”** shall have the meaning ascribed to such term in Article 32(d).

**“Offered Securities”** shall have the meaning ascribed to such term in Article 27(c)(ii).

**“Office”** shall mean the Registered Office for the time being of the Company.

**“Officer”** shall have the meaning assigned thereto by Section 2(59) of the Act.

**“OFS Ceiling”** shall mean the following maximum percentages of Investor Securities held by the Investor and its Affiliates in the Company that the Investor shall have the right (but not an obligation) to offer as part of an offer for sale pursuant to a Qualified IPO:

- a. in the event of a Qualified IPO to be completed within the First QIPO Window: 25% (thirty per cent) of the Investor Securities held by the Investor and its Affiliates in the Company at such time, calculated on a Fully Diluted Basis;
- b. in the event of a Qualified IPO to be completed after the expiry of the First Liquidity Window but in any event before the Second QIPO Window: 50% (fifty per cent) of the Investor Securities held by the Investor and its Affiliates in the Company at such time, calculated on a Fully Diluted Basis;
- c. in the event of a Qualified IPO to be completed after the expiry of the Second QIPO Window but in any event before 48 (forty eight) months from the Completion Date: 75% (seventy five per cent) of the Investor Securities held by the Investor and its Affiliates in the Company at such time, calculated on a Fully Diluted Basis;
- d. in the event of a Qualified IPO to be completed at any time after the expiry of the 48 (forty eight) months from the Completion Date: 100% (one hundred per cent) of the Investor Securities held by the Investor and its Affiliates in the Company at such time, calculated on a Fully Diluted Basis.

**“Ordinary Course of Business”** shall mean to carry on the Business in the normal and usual course of Business consistent with past custom and practice (including with respect to quantity and frequency), but only to the extent consistent with applicable Law.

**“Ordinary Resolution”** shall have the meaning assigned thereto by Section 114 of the Act.

**“Paid up”** shall include the amount credited as paid up.

**“Permitted Transferee”** shall have the meaning ascribed to such term in Article 21(i)1).

**“Person”** shall mean any natural person, sole proprietorship, partnership, company, body corporate, Governmental Authority, joint venture, trust, association or other entity (whether registered or not and whether or not having separate legal personality).

**“Post-Money Entry Amount”** shall mean an amount not exceeding the sum of INR 10,000,000,000 (Rupees ten billion) and the Subscription Consideration.

**“Post-Money Equity Valuation”** shall mean [the Adjusted Qualified Liquidity Event Valuation, divided by the Conversion Factor], and subject to the Post-Money Entry Amount.

**“Pre-Emptive Exercise Notice”** shall have the meaning ascribed to such term in Article 20(c).

**“Pre-Emptive Offer Period”** shall have the meaning ascribed to such term in Article 20(c).

**“Preference Share Capital”** shall mean that part of the issued Share Capital of the Company, which fulfills the following requirements, namely:

- (a) that in respect of Dividends, it carries, or will carry, a preferential right to be paid a fixed amount, or an amount calculated at a fixed rate, which may be either free of, or subject to, income tax; and
- (b) that in respect of capital, it carries, or will carry, on a winding up, or repayment of capital, a preferential right to be repaid the amount of the capital paid up, or deemed to have been paid up, whether or not there is a preferential right to the payment of either, or both, of the following amounts, namely:
  - (i) any money remaining unpaid, in respect of the amounts specified in clause (a) up to the date of the winding up or repayment of capital; and
  - (ii) any fixed premium or premium on any fixed scale, specified in the Memorandum or Articles of the Company.

*Explanation:* Capital shall be deemed to be preference capital, notwithstanding that it is entitled to any, or all, of the following rights namely:

- (i) that in respect of Dividends, in addition to the preferential right to the amount specified in clause (a), it has a right to participate whether fully or to a limited extent, with Capital not entitled to the preferential right aforesaid;
- (ii) that, as respects Capital, in addition to the preferential right to the repayment, on a winding up, of the amounts specified in clause (b), it has a right to participate, whether fully or to a limited extent, with capital not entitled to that preferential right in any surplus which may remain after the entire capital has been repaid.

**“Pre-Money Equity Valuation”** shall mean the Post-Money Equity Valuation Less the Subscription Consideration.

**“Prior Equity Shares”** shall mean the sum of total Equity Shares before Completion and the number of Equity Shares issued towards any carved-out funding rounds, calculated on a Fully Diluted Basis.

**“Pro Rata Share”** shall mean the respective percentage proportions in which the Equity

Share Capital of the Company is held, from time to time, by the Shareholders.

**“Promoters”** shall mean Thrill Park Limited, MS, and Ms. Aarti Shetty.

**“Promoter Default Notice”** shall have the meaning ascribed to such term in Article 33(b).

**“Promoter Drag Securities”** shall have the meaning ascribed to such term in Article 33(f)

**“Promoter First Offer Right”** shall have the meaning ascribed to such term in Article 27(d)(i).

**“Promoter Group”** shall mean collectively, the Promoters and each of their respective Affiliates.

**“Promoter Liquidity Share Transferee”** shall have the meaning ascribed to such term in Article 27(b)(ii)(1)(I).

**“Promoter Liquidity Shares”** shall have the meaning ascribed to such term in Article 27(b)(ii)1).

**“Promoter Offer Election Notice”** shall have the meaning ascribed to such term in Article 27(d)(iii)

**“Promoter Offer Period”** shall have the meaning ascribed to such term in Article 27(d)(iii).

**“Promoter Offer Price”** shall have the meaning ascribed to such term in Article 27(d)(iii).

**“Promoter Put Option”** shall have the meaning ascribed to such term in Article 32(a).

**“Promoter Funding”** shall mean an interest-free shareholder loan provided by the Promoters to the Company, or any alternate form of funding by the Promoters to the Company which funding (i) does not cause any dilution in the Pro Rata Share of the Investor in the Company, calculated on a Fully Diluted Basis; and (ii) which funding may only be repaid, prepaid, converted or otherwise satisfied in any manner (a) upon the receipt of an Investor Consent, or (b) in the event that the Company has had, for at least 1 (one) financial quarter, sufficient operating revenues to meet all costs of the Company (including any Taxes payable) as well as any repayment obligations owed by the Company to its creditors (such repayment obligations shall be the higher of the actual obligations for such a quarter or the estimated obligations for the first quarter of financial year 2014), then to the extent of any surplus funds available in excess of the amounts required to meet such costs and repayment obligations for such financial quarter.

**“Proposed Action”** shall have the meaning ascribed to such term in Article 51(b).

**“Proposed Issuance”** shall have the meaning ascribed to such term in Article 20(b).

**“Proposed Recipient”** shall have the meaning ascribed to such term in Article 20(a).

**“Provisional Accounts”** shall mean the unaudited, provisional balance sheet and financial statements of the Company as on June 30, 2013, as disclosed by the Company to the Investor in writing.

**“Purchaser”** shall have the meaning ascribed to such term in Article 27(c)(v).

**“Put Amount Cap”** shall mean the Subscription Consideration compounded at an IRR of 25% p.a. (twenty five per cent per annum) for the period between the Completion Date and

the Put Honour Date.

**“Put Honour Date”** shall mean the date on which (i) the Investor Securities are purchased by the Promoters pursuant to the exercise of the Promoter Put Option; and (ii) the Put Price is received by the Investor from the Promoters, in immediately available funds.

**“Put Notice”** shall have the meaning ascribed to such term in Article 32(a).

**“Put Price”** shall have the meaning ascribed to such term in Article 32(c).

**“Put Price IRR”** shall mean an IRR such that the Subscription Consideration when compounded at the Put Price IRR for [lower of (the period between Completion Date and Put Honor Date) or (5 (five) years from Completion Date)] is equal to Put Price.

**“Put Price Notice”** shall have the meaning ascribed to such term in Article 32(c).

**“Qualified IPO”** shall mean an IPO that fulfills each of the following conditions, unless one or more of such conditions are specifically waived by the Investor in writing:

- a. is completed within any of the First QIPO Window, the Second QIPO Window or the Extended Liquidity Window;
- b. has an Adjusted Qualified Liquidity Event Valuation, such that the Investment Instrument Value is not lower than [the Subscription Consideration\*Conversion Factor],;
- c. has a Minimum IPO Fresh Issue Size of INR 2,000,000,000 (Rupees two billion);
- d. is managed and underwritten by at least 2 (two) reputed investment bankers, acceptable to the Investor; and
- e. results in a minimum of 25% (twenty five per cent) of the post IPO Equity Share Capital being subscribed to / acquired by public shareholders.

**“Qualified Liquidity Event”** shall mean either a Qualified IPO or a Qualified Secondary Sale.

**“Qualified Liquidity Event Valuation”** shall mean the pre-money valuation of the equity of the Company at the time of occurrence of the Qualified Liquidity Event, adjusted for any Adjustment Events.

**“Qualified Offer”** shall mean the offer to purchase, by a nominee of the Promoter, of all the Investor Securities held by the Investor and its Affiliates in the Company at the time of such sale, for an aggregate price not lower than the Subscription Consideration compounded at an IRR of 17% p.a. (seventeen per cent per annum) for the period between the Completion Date and the Liquidity Event Date, and which is based on a valuation of 100% (one hundred per cent) of the Equity Share Capital of the Company on a Fully Diluted Basis \* [100+15]%, not being not lower than the FMV.

**“Qualified Secondary Sale”** shall mean the purchase, by an Unrelated Investor, who is either a Financial Investor, or a Strategic Investor, of all the Investor Securities held by the Investor and its Affiliates in the Company as at the date of such purchase, which purchase fulfills each of the following conditions:

- a. such purchase is for all, and not less than all, of the Investor Securities then held by

the Investor and its Affiliates, in a single tranche;

- b. such purchase is completed within the Extended Liquidity Window, other than as may be mutually agreed between the Promoters and the Investor;
- c. has an Adjusted Qualified Liquidity Event Valuation, such that the Investment Instrument Value is not lower than [the Subscription Consideration\*Conversion Factor];
- d. is completed following a sale process run by a reputed investment banker acceptable to the Investor; and
- e. where the Company has confirmed in writing to the Investor that the value attributed to the Company pursuant to such offer is not less than the FMV of the Company, as at such date.

**“Qualified Secondary Sale Notice”** shall have the meaning ascribed to such term in Article 30(b)

**“Qualified Secondary Sale Price”** shall have the meaning ascribed to such term in Article 30(b).

**“RBI”** shall mean the Reserve Bank of India.

**“Recognized Stock Exchange(s)”** shall mean the National Stock Exchange of India Limited, the Bombay Stock Exchange Limited or any other internationally recognised stock exchange (acceptable to the Investor) on which the Equity Shares are listed, or to be listed following an IPO of the Company.

**“Register of Shareholders”** shall mean the Register of Shareholders to be kept pursuant to Section 88 of the Act.

**“Registrar”** shall mean the Registrar of Companies, from time to time having jurisdiction over the Company.

**“Related Party”** shall have the same meaning as ascribed to such term in the Agreement.

**“Relative”** shall have the meaning ascribed to such term in Section 6 read with Schedule IA of the Act.

**“Request to Put Notice”** shall have the meaning ascribed to such term in Article 32(b).

**“Reserved Matters”** shall have the meaning ascribed to such term in Article 52(a).

**“Revised Price”** shall have the meaning ascribed to such term in Article 27(c)(v).

**“Revised Price Notice”** shall have the meaning ascribed to such term in Article 27(c)(v).

**“RHP Floor Price”** shall have the meaning ascribed to such term in Article 29(d)(v).

**“ROC”** shall mean the Registrar of Companies, Mumbai.

**“Rules”** shall mean the rules made under the Act and notified from time to time.

**“Sale Securities”** shall have the meaning ascribed to such term in Article 27(e)(i).

**“Seal”** shall mean the Common Seal(s) for the time being of the Company.

**“SEBI”** shall mean the Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992.

**“SEBI Regulations”** shall have the meaning ascribed to such term in Article 29(a)1).

**“Second QIPO Window”** shall mean the period commencing on the 1st (first) Business Day following the expiry of the First QIPO Window and ending on the expiry of 36 (thirty six) months from the Completion Date.

**“Secretary”** shall mean a Company Secretary within the meaning of clause (c) of sub-section (1) of section 2 of the Company Secretaries Act, 1980 and includes any other individual possessing the prescribed qualifications and appointed to perform the duties which may be performed by a secretary under the Act and any other administrative duties.

**“Securities”** shall mean any Equity Securities or any other securities, debentures warrants or options whether or not, directly or indirectly convertible into, or exercisable or exchangeable into or for Equity Shares.

**“Security Interest”** shall mean an interest in an asset, which provides security for, or protects against default by, a Person for the payment or satisfaction of a debt, obligation or liability including an Encumbrance.

**“Share”** shall mean a share in the Share Capital of the Company, and includes stock, except where a distinction between stock and shares is expressed or implied, as subdivided, consolidated or converted from time to time, or any equity shares held in an ADR Facility or GDR Facility for the benefit of any Shareholder.

**“Share Equivalents”** shall mean any Debentures, Preference Shares, foreign currency convertible bonds, floating rate notes, options (including options to be approved by the Board (whether or not issued) pursuant to an ESOP) or warrants or other Securities or rights which are by their terms convertible or exchangeable into Shares of the Company’s issued Share Capital;

**“Shareholder”** shall mean any shareholder of the Company, from time to time.

**“Shareholders’ Meeting”** shall mean any meeting of the Shareholders of the Company, including Annual General Meetings as well as Extraordinary General Meetings of the Shareholders of the Company, convened from time to time in accordance with Law and the provisions of these Articles.

**“Special Resolution”** shall have the meaning assigned to it by Section 114 of the Companies Act, 2013.

**“Stable Breakeven State”** is defined to have occurred if the Company has no Monthly Cash Loss for 6 (six) of the immediately preceding consecutive months, or for 7 (seven) out of 9 (nine) of the immediately preceding consecutive months.

**“Strategic Investor”** shall mean any Person (other than an Affiliate of the Company or the Promoter Group) including banks, financial institutions and sovereign wealth funds who intends to acquire Equity Securities of the Company and for such purpose intends to enter into a strategic affiliation, joint venture, partnership, alliance, cooperation or similar commercial arrangement with the Company, provided that such Person is not a Competitor.

**“Subject Meeting”** shall have the meaning ascribed to such term in Article 51(b).

**“Subscription Securities”** shall mean collectively, the Investor Shares and the Investor CCDs.

**“Subsidiary”** shall have the meaning as the term “subsidiary” is defined under Section 4 of the Act.

**“Tag Acceptance Notice”** shall have the meaning ascribed to such term in Article 27(e)(iii).

**“Tag-Along Notice”** shall have the meaning ascribed to such term in Article 27(e)(i).

**“Tag-Along Price”** shall have the meaning ascribed to such term in Article 27(e)(i).

**“Tag-Along Right”** shall have the meaning ascribed to such term in Article 27(e)(ii).

**“Tag-Along Securities”** shall have the meaning ascribed to such term in Article 27(e)(ii).

**“Takeover Regulations”** shall mean the SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 as amended from time to time and shall include any statutory replacement or re-enactment thereof

**“Transfer”** shall mean (i) any, direct or indirect, transfer or other disposition of any shares, securities (including convertible securities), or voting interests or any interest therein, including, without limitation, by operation of Law, by court order, by judicial process, or by foreclosure, levy or attachment; (ii) any, direct or indirect, sale, assignment, gift, donation, redemption, conversion or other disposition of such shares, securities (including convertible securities) or voting interests or any interest therein, pursuant to an agreement, arrangement, instrument or understanding by which legal title to or beneficial ownership of such shares, securities (including convertible securities) or voting interests or any interest therein passes from one Person to another Person or to the same Person in a different legal capacity, whether or not for value; (iii) granting of any Security Interest or Encumbrance in, or extending or attaching to, such shares, securities (including convertible securities) or voting interests or any interest therein, and the word **“Transferred”** shall be construed accordingly.

**“Transfer Notice”** shall have the meaning ascribed to such term in Article 27(c)(ii).

**“Transferring Shareholder”** shall have the meaning ascribed to such term in Article 27(c)(i).

**“Written”** and **“In Writing”** includes printing, lithography and other modes of representing or reproducing words in a visible form.

## **B. CONSTRUCTION**

(i) In these Articles (unless the context requires otherwise):

- (i) References to a Party shall, where the context permits, include such Party’s respective successors, legal heirs and permitted assigns.
- (ii) The descriptive headings of Articles are inserted solely for convenience of reference and are not intended as complete or accurate descriptions of content thereof and shall not be used to interpret the provisions of these Articles and shall not affect the construction of these Articles.
- (iii) References to articles and sub-articles are references to Articles and Sub-articles of

and to these Articles unless otherwise stated and references to these Articles include references to the articles and Sub-articles herein.

- (iv) Words importing the singular include the plural and vice versa, pronouns importing a gender include each of the masculine, feminine and neuter genders, and where a word or phrase is defined, other parts of speech and grammatical forms of that word or phrase shall have the corresponding meanings.
- (v) Wherever the words “include,” “includes,” or “including” is used in these Articles, such words shall be deemed to be followed by the words “without limitation”.
- (vi) The terms “hereof”, “herein”, “hereto”, “hereunder” or similar expressions used in these Articles mean and refer to these Articles and not to any particular Article of these Article, unless expressly stated otherwise.
- (vii) Any date or period as set out in any Article of these Articles may, subject to applicable Law, be extended with an Investor Consent, failing which time shall be of the essence.
- (viii) Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the period to the next Business Day following if the last day of such period is not a Business Day; and whenever any payment is to be made or action to be taken under these Articles is required to be made or taken on a day other than a Business Day, such payment shall be made or action taken on the next Business Day following.
- (ix) A reference to a Party being liable to another Party, or to liability, includes, but is not limited to, any liability in equity, contract or tort (including negligence).
- (x) Reference to statutory provisions shall be construed as meaning and including references also to any amendment or re-enactment for the time being in force and to all statutory instruments or orders made pursuant to such statutory provisions.
- (xi) References to any particular number or percentage of securities of a Person (whether on a Fully Diluted Basis or otherwise) shall be adjusted for any form of restructuring of the share capital of that Person, including without limitation, consolidation or subdivision or splitting of its shares, issue of bonus shares, issue of shares in a scheme of arrangement (including amalgamation or de-merger) and reclassification of equity shares or variation of rights into other kinds of securities.
- (xii) Where Investor Consent is required in respect of any matter, such Investor Consent may be granted or withheld at the sole discretion of the Investor, and if granted, shall be granted subject to such terms and conditions as the Investor may, at such time, deem fit to impose.
- (xiii) It is clarified that, unless expressly stated otherwise in these Articles, any references to the Investor’s shareholding in the Company on a Fully Diluted Basis or assuming full conversion of the Investor Securities or Investor CCDs, shall mean the aggregate number of Equity Shares that would be held by the Investor assuming full conversion of the Investor Securities into Equity Shares, based on the Conversion Ratio, where for this purpose, the “Qualified Liquidity Event Valuation” shall mean the FMV of the Company as at such date.
- (xiv) References made to any provision of the Act shall be construed as meaning and

including the references to the rules and regulations made in relation to the same by the MCA. The applicable provisions of the Companies Act, 1956 shall cease to have effect from the date on which the corresponding provisions under the Act have been notified.

- (xv) In the event any of the provisions of the Articles are contrary to the provisions of the Act and the Rules, the provisions of the Act and Rules will prevail.

### 3. EXPRESSIONS IN THE ACT AND THESE ARTICLES

Save as aforesaid, any words or expressions defined in the Act shall, if not inconsistent with the subject or context, bear the same meaning in these Articles.

### 4. SHARE CAPITAL

- (a) The authorised Share Capital of the Company shall be as stated under Clause V of the Memorandum of Association of the Company from time to time.
- (b) The Paid-up Share Capital shall be at all times a minimum of Rs. 500,000 (Rupees Five Hundred Thousand only) as required under the Act.
- (c) The Company has power from time to time to increase its authorised or issued and Paid up Share Capital.
- (d) In the event it is permitted by Law, the Share Capital of the Company may be classified into Equity Shares with differential rights as to dividend, voting or otherwise in accordance with the applicable provisions of the Act, Rules and Law, from time to time.
- (e) Subject to Article 4(d), all Shares shall be of the same class and shall be alike in all respects and the holders thereof shall be entitled to identical rights and privileges including without limitation to identical rights and privileges with respect to dividends, voting rights, and distribution of assets in the event of voluntary or involuntary liquidation, dissolution or winding up of the Company.
- (f) Subject to these Articles and the applicable provision of the Act, the Companies Act, 1956 and Law, the Company in General Meeting may, from time to time, by an Ordinary Resolution, increase the Capital by the creation of new Shares. Such increase shall be of such aggregate amount and shall be divided into Shares of such respective amounts as the resolution shall prescribe. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto, as by the General Meeting creating the same shall be directed and if no direction be given by the General Meeting, as the Board shall determine; and, in particular, such Shares may be issued with a preferential or qualified right to Dividends and in the distribution of the assets of the Company and with a right of voting at General Meetings of the Company in conformity with Sections 47 of the Act. Whenever the Capital of the Company has been increased under the provisions of this Article, the Directors shall comply with the applicable provisions of the Act and the Law.
- (g) Except so far as otherwise provided by the conditions of issue or by these presents, any Capital raised by the creation of new Shares, shall be considered as part of the existing Capital and shall be subject to the provisions herein contained with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.

- (h) All of the provisions of these Articles shall apply to all of the Shareholders.

## 5. PREFERENCE SHARES

### (a) Redeemable Preference Shares

The Company, subject to the provisions of the Act and the consent of the Board, shall have the power to issue on a cumulative or non-cumulative basis, Preference Shares liable to be redeemed in any manner permissible under the Act and the Directors may, subject to the provisions of the Act, exercise such power as they deem fit and provide for redemption of such Shares on such terms including the right to redeem at a premium or otherwise as they deem fit.

### (b) Convertible Redeemable Preference Shares

The Company, subject to the provisions of the Act and the consent of the Board, shall have power to issue on a cumulative or non-cumulative basis convertible redeemable preference shares liable to be redeemed in any manner permissible under the Act and the Directors may, subject to the provisions of the Act, exercise such power as they deem fit and provide for redemption at a premium or otherwise and/or conversion of such Shares into such Securities on such terms as they may deem fit.

## 6. PROVISIONS IN CASE OF PREFERENCE SHARES.

Upon the issue of Preference Shares pursuant to Article 5 above, the following provisions shall apply:

- (a) No such shares shall be redeemed except out of profits of the Company which would otherwise be available for Dividend or out of the proceeds of a fresh issue of Shares made for the purposes of the redemption;
- (b) No such Shares shall be redeemed unless they are fully paid;
- (c) The premium, if any, payable on redemption shall have been provided for out of the profits of the Company or out of the Company's securities premium account before the Shares are redeemed;
- (d) Where any such Shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall, out of the profits which would otherwise have been available for Dividend, be transferred to a reserve fund, to be called "The Capital Redemption Reserve Account" a sum equal to the nominal amount of the Share redeemed; and the provisions of the Act relating to the reduction of the Share Capital of the Company shall, except as provided by Section 55 of the Act, apply as if the Capital Redemption Reserve Account were Paid up Share Capital of the Company;
- (e) The redemption of Preference Shares under this Article by the Company shall not be taken as reduction of Share Capital;
- (f) Subject to anything to the contrary in these Articles, if the Company has redeemed or is about to redeem any Preference Shares, it shall have power to issue Shares up to the nominal amount of the Shares redeemed or to be redeemed as if those Shares had never been issued and accordingly the Share Capital of the Company shall not, for the purpose of calculating the fees payable under Section 403 of the Act and the Rules be deemed to be increased by the issue of Shares in pursuance of this sub-article; provided that, where new Shares are issued before the redemption of the old Shares,

the new Shares shall not, so far as relates to stamp duty, be deemed to have been issued in pursuance of this sub article unless the old Shares are redeemed within one month after the issue of the new Shares;

- (g) The Capital Redemption Reserve Account may, notwithstanding anything in this Article, be applied by the Company, in paying up un-issued Shares of the Company to be issued to the Shareholders as fully paid bonus Shares;
- (h) Whenever the Company shall redeem any Redeemable Preference Shares or Cumulative Convertible Redeemable Preference Shares, the Company shall within thirty days thereafter, give notice thereof to the Registrar of Companies as required by Section 64 of the Act.

## 7. SHARE EQUIVALENT

The Company shall, subject to the provisions of the Act, compliance with Law, and the consent of the Board, have the power to issue Share Equivalents on such terms and in such manner as the Board deems fit including their conversion, repayment, and redemption whether at a premium or otherwise.

## 8. ADRS/GDRS

The Company shall subject to the provisions of the Act, compliance with all ,Lawsand the consent of the Board, have the power to issue ADRs or GDRs on such terms and in such manner as the Board deems fit including their conversion and repayment. Such terms may include at the discretion of the Board, limitations on voting by holders of ADRs or GDRs, including without limitation, exercise of voting rights in accordance with the directions of the Board.

## 9. ALTERATION OF SHARE CAPITAL

Subject to these Articles and Section 61 of the Act, the Company may, by Ordinary Resolution in General Meeting from time to time alter the conditions of its Memorandum as follows, that is to say, it may:

- (a) increase its Share Capital by such amount as it thinks fit and expedient by issuing new Shares of such amount as may be deemed expedient. The new Shares shall be issued on such terms and conditions and with such rights and privileges annexed thereto, as the General Meeting resolving upon the creation thereof, shall direct and if no direction be given, as the Board of Directors shall determine, and in particular such Shares may be issued with a preferential right to Dividends and in the distribution of the assets of the Company;
- (b) consolidate and divide all or any of its Share Capital into Shares of larger amount than its existing Shares;
- (c) convert all or any of its fully Paid up Shares into stock and reconvert that stock into fully Paid up Shares of any denomination
- (d) sub-divide its Shares, or any of them, into Shares of smaller amount than is fixed by the Memorandum, so however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced Share shall be the same as it was in the case of the Share from which the reduced Share is derived;
- (e) cancel Shares which, at the date of the passing of the resolution in that behalf, have

not been taken or agreed to be taken by any person, and diminish the amount of its Share Capital by the amount of the Shares so cancelled. A cancellation of Shares in pursuance of this Article shall not be deemed to be a reduction of Share Capital within the meaning of the Act.

10. REDUCTION OF SHARE CAPITAL

The Company may, subject to applicable provisions of the Act and the Companies Act, 1956, from time to time, reduce its Capital, any capital redemption reserve account and securities premium account in any manner for the time being authorized by Law. This Article is not to derogate any power the Company would have, if it were omitted.

11. POWER OF COMPANY TO PURCHASE ITS OWN SHARES

Pursuant to a resolution of the Board, the Company may purchase its own Shares or other Securities, as may be specified by the MCA, by way of a buy-back arrangement, in accordance with Section 68, 69 and 70 of the Act, the Rules and subject to compliance with Law.

12. POWER TO MODIFY RIGHTS

Where, the Capital, by reason of the issue of Preference Shares or otherwise, is divided into different classes of Shares, all or any of the rights and privileges attached to each class may, subject to the provisions of Sections 106 and 107 of the Companies Act, 1956, and Law, be modified, commuted, affected or abrogated or dealt with by agreement between the Company and any Person purporting to contract on behalf of that class, provided the same is effected by way of a Special Resolution passed at a separate meeting of the holders of the issued Shares of that class and all the provisions hereafter contained as to General Meetings (including the provisions relating to quorum at such meetings) shall mutatis mutandis apply to every such meeting.

13. REGISTERS TO BE MAINTAINED BY THE COMPANY

- (a) The Company shall, in terms of the provisions of Section 88 of the Act, cause to be kept the following registers in terms of the applicable provisions of the Act
  - (i) A Register of Shareholders indicating separately for each class of Equity Shares and preference shares held by each Shareholder residing in or outside India;
  - (ii) A register of Debenture holders; and
  - (iii) A register of any other holders of Securities.
- (b) The Company shall also be entitled to keep in any country outside India, a part of the registers referred above, called “foreign register” containing names and particulars of the Shareholders, Debenture holders or holders of other Securities or beneficial owners residing outside India.
- (c) The registers mentioned in this Article shall be kept and maintained in the manner prescribed under the Companies (Management and Administration) Rules, 2014.

14. SHARES AND SHARE CERTIFICATES

- (a) The Shares in the Capital shall be numbered progressively according to their several

denominations, provided however, that the provisions relating to progressive numbering shall not apply to the Shares of the Company which are dematerialized or may be dematerialized in future or issued in future in a dematerialized form. Except in the manner hereinbefore mentioned, no Share shall be sub-divided. Every forfeited or surrendered Share held in material form shall continue to bear the number by which the same was originally distinguished.

- (b) The Company shall be entitled to dematerialize its existing Shares, rematerialize its Shares held in the Depository and/or to offer its fresh Shares in a dematerialized form pursuant to the Depositories Act, and the rules framed thereunder, if any.
- (c) 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 Shareholder entitled to such lost or destroyed Certificate. Every certificate under this Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rupees two for each certificate) as the Directors shall prescribe, provided that no fee shall be charged for issue of a new certificate in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above, the Directors shall comply with the applicable provisions of the Act and Law.

- (d) The provisions of this Article shall mutatis mutandis apply to Debentures and other Securities of the Company.
- (e) When a new share certificate has been issued in pursuance of sub-article (c) of this Article, it shall be in the form and manner stated under the Companies (Share Capital and Debentures) Rules, 2014.
- (f) Where a new share certificate has been issued in pursuance of sub-articles (c) or (d) of this Article, particulars of every such share certificate shall be entered in a Register of Renewed and Duplicate Certificates maintained in the form and manner specified under the Companies (Share Capital and Debentures) Rules, 2014.
- (g) All blank forms to be used for issue of share certificates shall be printed and the printing shall be done only on the authority of a Resolution of the Board. The blank forms shall be consecutively machine-numbered and the forms and the blocks, engravings, facsimiles and hues relating to the printing of such forms shall be kept in the custody of the Secretary or of such other person as the Board may appoint for the purpose; and the Secretary or the other person aforesaid shall be responsible for rendering an account of these forms to the Board.
- (h) The Managing Director or the Executive Director of the Company for the time being or if the Company has no Managing Director or the Executive Director, every Director of the Company shall be responsible for the maintenance, preservation and safe custody of all books and documents relating to the issue of share certificates except the blank forms of the Share certificate referred to in sub-article (e) of this Article.
- (i) All books referred to in sub-article (g) of this Article, shall be preserved in the

manner specified in the Companies (Share Capital and Debentures) Rules, 2014.

- (j) The details in relation to any renewal or duplicate share certificates shall be entered into the register of renewed and duplicate share certificates, as prescribed under the Companies (Share Capital and Debentures) Rules, 2014.
- (k) If any Share stands in the names of two or more Shareholders, the Shareholder first named in the Register of Shareholders shall as regards receipt of Dividends or bonus, or service of notices and all or any other matters connected with the Company except voting at Meetings and the transfer of 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, and for all incidents thereof according to these Articles.
- (l) Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall be entitled to treat the Shareholder whose name appears on the Register of Shareholders as the holder of any Share or whose name appears as the Beneficial Owner of Shares in the records of the Depository, as the absolute owner thereof and accordingly shall not be bound to recognise any benami, trust or equity or equitable, contingent or other claim to or interest in such Share on the part of any other Person whether or not he shall have express or implied notice thereof. The Board shall be entitled at their sole discretion to register any Shares in the joint names of any two or more Persons or the survivor or survivors of them.

#### 15. ANTI DILUTION AND MOST FAVORABLE RIGHTS

- (a) In the event the Company proposes to issue any Securities to any Person(s) or undertake any such action which results in issuance of Securities at a valuation lower than (i) the per Equity Share price at which the Investor CCDs have converted, assuming that all Investor CCDs have converted in accordance with these Articles, or (ii) the Post Money Entry Amount of the Company (adjusted for any Adjustment Events), in the event that all the Investor CCDs have not converted at such time, then the Investor shall be adequately compensated and/or made whole by the Company and the Promoters in a form and manner satisfactory to the Investor.
- (b) Subject to Article 15(a), in the event that the Investor is required to be compensated pursuant to (i) in Article 15(a) above, the Investor may, at its option, require the Company and/or the Promoters to compensate the Investor, including in the form of additional Equity Shares to be allotted by the Company to the Investor, or Transferred by the Promoters to the Investor, at the lowest price per Equity Share permissible under applicable Law, such that the overall cost of acquisition per Equity Share paid by the Investor as per the terms of these Articles is reduced to the price at which such new Securities are proposed to be issued. In the event that the Investor is required to be compensated pursuant to (ii) in Article 15(a) above, the Investor may, at its option, require the Company and/or the Promoters to compensate the Investor, including by requiring the Post Money Entry Amount, for the purposes of these Articles, to be reduced to an amount equivalent to the equity valuation ascribed to the Company by the proposed investor pursuant to Article 15(a), adjusted for any Adjustment Events.
- (c) The Company and the Promoters shall not issue any Securities or enter into an agreement to issue Securities, enter into any management agreement or shareholder agreement or any other agreements with any Person, which agreement confers on such Person rights which, considered in the aggregate, are more favourable than rights granted herein to the Investor. At the option of the Investor, in the event the Company and the Promoter confer on such Person such rights which, when so considered, are

more favourable than rights granted herein to the Investor, notwithstanding anything in these Articles or the Amended Charter Documents, the Investor may require that the rights of the Investor as provided for in these Articles be modified and amended in accordance with the rights granted to such Person to confer on the Investor rights at least as favourable as those conferred on such Person as of the Effective Date. In such a case, the Company and the Promoters shall take all necessary steps to amend the Charter Documents to give effect to such modification of rights of the Investor.

Nothing in this Article 15 shall apply to any issuance or proposed issuance of any Securities:

- (i) Pursuant to the terms of an employee stock option plan, including an ESOP, and in each case, approved by the Board in accordance with Article 51; or
- (ii) In a Qualified IPO approved and undertaken in accordance with Article 29.

## 16. SHARES AT THE DISPOSAL OF THE DIRECTORS

- (a) Subject to the provisions of Section 62 and other applicable provisions of the Act, and these Articles, the Shares in the Capital of the Company for the time being (including any Shares forming part of any increased Capital of the Company) shall be under the control of the Board who may issue, allot or otherwise dispose of the same or any of them to Persons in such proportion and on such terms and conditions and either at a premium or at par at such time as they may, from time to time, think fit
- (b) In addition to and without derogating from powers for that purpose conferred on the Board under these Articles, the Company in General Meeting may, subject to the provisions of Section 62 of the Act, determine that any Shares (whether forming part of the original capital or of any increased Capital of the Company), shall be offered to such Persons, (whether Shareholders or holders of Debentures or any other Securities or not), in such proportion and on such terms and conditions and either (subject to compliance with the provisions of Sections 52 and 53 of the Act) at a premium or at par or at a discount, as such General Meeting shall determine and with full power to give any person, (whether a Shareholder or holders of Debentures or any other Securities or not), the option to call for or be allotted Shares of any class of the Company, either (subject to compliance with the provisions of Sections 52 and 53 of the Act), at a premium or at par or at a discount, such option being exercisable at such time and for such consideration as may be directed by such General Meeting or the Company in General Meeting may make any other provision whatsoever for the issue, allotment or disposal of any Shares.
- (c) Any application signed by or on behalf of an applicant for Shares in the Company, followed by an allotment of any Shares therein, shall be an acceptance of Shares within the meaning of these Articles and every person who thus or otherwise accepts any Shares and whose name is on the Register of Shareholders shall for the purposes of these Articles be a Shareholder.
- (d) The money, (if any), which the Board shall, on the allotment of any Shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any Shares allotted by them, shall immediately on the insertion of the name of the allottee, in the Register of Shareholders as the name of the holder of such Shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.
- (e) Every Shareholder, or his heirs, Executors, or Administrators shall pay to the

Company, the portion of the Capital represented by his Share or Shares which may for the time being remain unpaid thereon in such amounts at such time or times and in such manner as the Board shall from time to time in accordance with the Articles require or fix for the payment thereof.

- (f) In accordance with Section 56 and other applicable provisions of the Act and the Rules:
- (i) Every Shareholder or allottee of Shares shall be entitled without payment, to receive one certificate specifying the name of the Person in whose favour it is issued, the Shares to which it relates and the amount paid up thereon. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in cases of issues against letters of acceptance or of renunciation, or in cases of issue of bonus shares. Every such certificate shall be issued under the Seal of the Company which shall be affixed in the presence of 2 (two) Directors or persons acting on behalf of the Board under a duly registered power of attorney and the Secretary or some other person appointed by the Board for the purpose and the 2 (two) Directors or their attorneys and the Secretary or other person shall sign the Shares Certificate(s), provided that if the composition of the Board permits, at least 1 (one) of the aforesaid 2 (two) Directors shall be a person other than a Managing Director(s) or a Executive Director(s). Particulars of every share certificate issued shall be entered in the Register of Shareholders against the name of the Person, to whom it has been issued, indicating the date of issue. For any further certificate, the Board shall be entitled, but shall not be bound to prescribe a charge not exceeding Rupees two.
  - (ii) Every Shareholder shall be entitled, without payment, to one or more certificate, 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 such certificates within three months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of 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 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 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 the first named of the joint holders shall be sufficient delivery to all such holders.
  - (iii) the Board may, at their absolute discretion, refuse any applications for the sub-division of share certificates or Debenture certificates, into denominations less than marketable lots except where sub-division is required to be made to comply with any statutory provision or an order of a competent court of law or at a request from a Shareholder or to convert holding of odd lot into transferable/marketable lot.
  - (iv) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp,

provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.

17. UNDERWRITING AND BROKERAGE

- (a) Subject to the applicable provisions of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe or procuring or agreeing to procure subscription, (whether absolutely or conditionally), for any Shares or Debentures in the Company in accordance with the provisions of the Companies (Prospectus and Allotment of Securities) Rules, 2014.
- (b) The Company may also, on any issue of Shares or Debentures, pay such brokerage as may be lawful.

18. CALLS

- (a) Subject to the provisions of Section 49 of the Act, the Board may, from time to time, subject to the terms on which any Shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board, (and not by circular resolution), make such call as it thinks fit upon the Shareholders in respect of all money unpaid on the Shares held by them respectively and each Shareholder shall pay the amount of every call so made on him to the Person or Persons and Shareholders and at the times and places appointed by the Board. A call may be made payable by installments. Provided that the Board shall not give the option or right to call on shares to any person except with the sanction of the Company in the General Meeting.
- (b) 30 (thirty days') notice in writing at the least of every call (otherwise than on allotment) shall be given by the Company specifying the time and place of payment and if payable to any Person other than the Company, the name of the person to whom the call shall be paid, provided that before the time for payment of such call, the Board may by notice in writing to the Shareholders revoke the same.
- (c) The Board of Directors may, when making a call by resolution, determine the date on which such call shall be deemed to have been made, not being earlier than the date of resolution making such call and thereupon the call shall be deemed to have been made on the date so determined and if no date is determined, the call shall be deemed to have been made at the time when the resolution of the Board authorising such call was passed and may be made payable by the Shareholders whose names appear on the Register of Shareholders on such date or at the discretion of the Board on such subsequent date as shall be fixed by the Board.
- (d) A call may be revoked or postponed at the discretion of the Board.
- (e) The joint holder of a Share shall be jointly and severally liable to pay all installments and calls due in respect thereof.
- (f) 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 Shareholders who, from residence at a distance or other cause the Board may deem fairly entitled to such extension; but no Shareholders shall be entitled to such extension save as a matter of grace and favour.
- (g) If any Shareholder or allottee fails to pay the whole or any part of any call or installment, 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 of 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 Shareholder.

- (h) Any sum, which by the terms of issue of a Share or otherwise, becomes payable on allotment or at any fixed date or by installments at a fixed time 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 or otherwise the same became payable, and in case of non-payment, all the relevant provisions of these Articles as to payment of call, interest, expenses, forfeiture or otherwise shall apply as if such sum became payable by virtue of a call duly made and notified.
- (i) On the trial or hearing of any action or suit brought by the Company against any Shareholder or his Legal 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 Shareholder in respect of whose Shares the money is sought to be recovered appears entered on the Register of Shareholders as the holder, or one of the holders at or subsequently to the date at which the money sought to be recovered is alleged to have become due on the Shares in respect of which such money is sought to be recovered; that the resolution making the call is duly recorded in the minute book; and that notice of such call was duly given to the Shareholder or his representatives so sued in pursuance of these Articles; and it shall not be necessary to prove the appointment of the Directors who made such call nor that a quorum of Directors was present at the Board at which any call was made, nor that the meeting at which any call was made was duly convened or constituted nor any other matters whatsoever; but the proof of the matters aforesaid shall be conclusive evidence of the debt.
- (j) Neither a judgment or decree in favour of the Company for calls, nor the receipt by the Company of a portion of any money which shall from time to time be due from any Shareholder 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.
- (k) The Board may, if it thinks fit (subject to the provisions of Section 50 of the Act) agree to and receive from any Shareholder willing to advance the same, the whole or any part of the money due upon the Shares held by him beyond the sums actually called up, and upon the amount so paid or satisfied in advance or upon so much thereof as from time to time and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the Shares in respect of which such advance has been made, the Company may pay interest, as the Shareholder paying such sum in advance and the Board agree upon, provided that the 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.
- (l) No Shareholder paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable.
- (m) The provisions of these Articles shall *mutatis mutandis* apply to the calls on Debentures of the Company.

19. COMPANY'S LIEN:

i. On shares:

- (a) The Company shall have a first and paramount lien:
  - (i) on every share (not being a fully paid share), for all money (whether presently payable or not) called, or payable at a fixed time, in respect of that share;
  - (ii) on all shares (not being fully paid shares) standing registered in the name of a single person, for all money presently payable by him or his estate to the Company

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

- (b) Company's lien, if any, on the shares, shall extend to all Dividends payable and bonuses declares from time to time in respect of such shares.
- (c) Unless otherwise agreed, the registration of a transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares. The fully paid up shares shall be free from all lien and that in case of partly paid shares, the Company's lien shall be restricted to money called or payable at a fixed price in respect of such shares.
- (d) 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 Shareholders to execute and register the transfer thereof on behalf of and in the name of any purchaser. 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.

Provided that no sale shall be made:

- (i) unless a sum in respect of which the lien exists is presently payable; or
- (ii) until the expiration of 14 days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

The net proceeds of any such sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable. 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 Person entitled to the shares at the date of the sale.

- (e) No Shareholder shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid, or in regard to which the Company has exercised any right of lien.

ii. On Debentures:

- (a) The Company shall have a first and paramount lien:
  - (i) on every Debenture (not being a fully paid Debenture), for all money (whether presently payable or not) called, or payable at a fixed time, in respect of that Debenture;
  - (ii) on all Debentures (not being fully paid Debentures) standing registered in the name of a single person, for all money presently payable by him or his estate to the Company

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

- (b) Company's lien, if any, on the Debentures, shall extend to all interest and premium payable in respect of such Debentures.
- (c) Unless otherwise agreed, the registration of a transfer of Debentures shall operate as a waiver of the Company's lien, if any, on such Debentures. The fully paid up Debentures shall be free from all lien and that in case of partly paid Debentures, the Company's lien shall be restricted to money called or payable at a fixed price in respect of such Debentures.
- (d) For the purpose of enforcing such lien, the Board may sell the Debentures, 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 Debentures and may authorize the debenture trustee acting as trustee for the holders of Debentures or one of the holder of Debentures to execute and register the transfer thereof on behalf of and in the name of any purchaser. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the Debentures be affected by any irregularity or invalidity in the proceedings in reference to the sale.

Provided that no sale shall be made:

- (i) unless a sum in respect of which the lien exists is presently payable; or
- (ii) until the expiration of 14 days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the Debenture or the person entitled thereto by reason of his death or insolvency.

The net proceeds of any such sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable. The residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the Debentures before the sale) be paid to the Person entitled to the Debentures at the date of the sale.

- (e) No holder of Debentures shall exercise any voting right in respect of any Debentures registered in his name on which any calls or other sums presently payable by him have not been paid, or in regard to which the Company has exercised any right of lien.

## 20. FORFEITURE OF SHARES

- (a) If any Shareholder fails to pay any call or installment or any part thereof or any money due in respect of any Shares either by way of principal or interest on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Board may, at any time thereafter, during such time as the call or installment or any part thereof or other money remain unpaid or a judgment or decree in respect thereof remain unsatisfied, give notice to him or his Legal Representatives 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.
- (b) The notice shall name a day, (not being less than 14 (fourteen) days from the date of the notice), and a place or places on or before which such call or installment or such part or other money as aforesaid and interest thereon, (at such rate as the Board shall determine and payable from the date on which such call or installment ought to have been paid), and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment at or before the time and at the place appointed, the Shares in respect of which the call was made or installment is payable, will be liable to be forfeited.
- (c) If the requirements of any such notice as aforesaid shall not be complied with, any Share in respect of which such notice has been given, may at any time, thereafter before payment of all calls, installments, other money due in respect thereof, interest and expenses as required by the notice has been made, be forfeited by a Resolution of the Board to that effect. Such forfeiture shall include all Dividends declared or any other money payable in respect of the forfeited Share and not actually paid before the forfeiture subject to the applicable provisions of the Act. There shall be no forfeiture of unclaimed Dividends before the claim becomes barred by Law.
- (d) When any Share shall have been so forfeited, notice of the forfeiture shall be given to the Shareholder in whose name it stood immediately prior to the forfeiture or if any of his Legal Representatives or to any of the Persons entitled to the Shares by transmission, and an entry of the forfeiture with the date thereof, shall forthwith be made in the Register of Shareholders, 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.
- (e) Any Share so forfeited shall be deemed to be the property of the Company and may be sold; re-allotted, or otherwise disposed of either to the original holder thereof or to any other Person upon such terms and in such manner as the Board shall think fit.
- (f) Any Shareholder whose shares have been forfeited shall, notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company on demand all calls, amounts, installments, interest and expenses and other money owing upon or in respect of such Shares at the time of the forfeiture together with interest thereon from the time of the forfeiture until payment at such rate as the Board may determine and the Board may enforce, (if it thinks fit), payment thereof as if it were a new call made at the date of forfeiture.

- (g) The forfeiture of a Share shall involve extinction at the time of the forfeiture of all interest in all claims and demands against the Company, in respect of the Share and all other rights incidental to the Share, except only such of these rights as by these Articles are expressly saved.
- (h) A duly verified declaration in writing that the declarant is a Director or Secretary of the Company and that a Share in the Company has been duly forfeited in accordance with these Articles 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.
- (i) Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board 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 of Shareholders in respect of the Shares sold and the purchaser shall not be bound to see to the regularity of the proceedings, or to the application of the purchase money, and after his name has been entered in the Register of Shareholders in respect of such Shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.
- (j) 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 related Shares shall, (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting Shareholder), stand cancelled and become null and void and of no effect and the Board shall be entitled to issue a new certificate or certificates in respect of the said Shares to the person or persons entitled thereto.
- (k) The Board may, at any time, before any Share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.

## 21. FURTHER ISSUE OF SHARES AND PRE-EMPTIVE RIGHTS

- (a) Pre-emptive Right. The Company shall not issue any Securities of any type or class to any Person ("**Proposed Recipient**") unless the Company has first offered the existing Shareholders of the Company (in accordance with the provisions of this Article 21) the right to subscribe to any part of the whole of its Pro Rata Share of the Securities proposed to be issued ("**New Securities**").
- (b) Notice. Not less than 30 (thirty) Business Days before a proposed issuance of securities by the Company ("**Proposed Issuance**"), the Company shall deliver to the existing Shareholders of the Company a written notice of the Proposed Issuance setting forth (i) the number, type and terms of the New Securities, including the subscription price of such New Securities, to be issued New Securities, (ii) the consideration to be received by the Company in connection with the Proposed Issuance and (iii) the identity of the Proposed Recipients (if such Proposed Recipients have already been identified by the Promoters and/or the Company).
- (c) Exercise of Rights. Within 30 (thirty) Business Days following delivery of the notice referred to in Article 21 (b) ("**Pre-Emptive Offer Period**"), any existing Shareholder ("**Subscribing Shareholder**") may, if it elects to exercise its rights under this Article 21, give written notice to the Company specifying the number of New Securities to be purchased by such Subscribing Shareholder and/or its Affiliates and the aggregate subscription price payable by such Subscribing Shareholder and/or its Affiliates for the subscription to such New Securities ("**Pre-Emptive Exercise**").

**Notice**”). Failure by any existing Shareholder to give such notice within the Pre-Emptive Offer Period shall be deemed a waiver by such existing Shareholder of its rights under this Article 21 with respect to such Proposed Issuance. If however any existing Shareholder fails to give the notice required under this Article 21 (c) solely on account of the Company’s failure to comply with the notice provisions of Article 21 (b), then the Company shall not issue the New Securities pursuant to this Article 20 and if purported to be issued, such issuance of the New Securities shall be void.

- (d) Consents. If any Subscribing Shareholder and/or its Affiliates are entitled to subscribe to New Securities pursuant to the foregoing Articles, the Promoters shall and shall cause the Company to apply for and obtain all such Consents and take all necessary corporate actions as may be required to issue the New Securities to such Subscribing Shareholder and/or its Affiliates within 30 (thirty) Business Days from the date of receipt of the Pre-Emptive Exercise Notice by the Company. In the event any existing Shareholder is desirous of purchasing or subscribing to any New Securities, but is unable to participate due to any restrictions under Law, such existing Shareholder shall have the right to nominate any Person of its election to purchase the New Securities offered in accordance with the provisions of this Article 21, provided such Person (i) in the case of nominee of the Promoters, executes a Deed of Adherence in the form set out at Part D of Schedule 4 of the Agreement, agreeing to be bound by all the obligations of the Promoters under the Agreement; and (ii) in the case of a nominee of the Investor, executes a Deed of Adherence in the form set out at Part C of Schedule 4 of the Agreement, agreeing to be bound by all the obligations of the Investor under the Agreement.
- (e) Failure to Subscribe, if any, of the New Securities are not subscribed to by any existing Shareholder and/or its Affiliates pursuant to this Article 21 (“**Non-Subscribing Shareholder**”), any other Shareholders which are not Non-Subscribing Shareholder (each an “**Eligible Shareholder**”) shall subject to Applicable Law have the option (and not the obligation) to subscribe to such Securities not subscribed to by any Non-Subscribing Shareholder (the “**Unsubscribed Securities Entitlement**”). If more than 1 (one) Eligible Shareholder wishes to subscribe to the Unsubscribed Securities Entitlement (each a “**Supplemental Subscription**”), then such Eligible Shareholders shall make such Supplemental Subscription in proportion to their inter se shareholding in the Company, calculated on a Fully Diluted Basis. For this purpose, in the event that any Non-Subscribing Shareholder notifies the Company of the waiver or rejection of its rights under this Article 21 , or in the event that any Non-Subscribing Shareholder does not notify the Company of its election to purchase its Pro Rata Share of the New Securities within the Pre-Emptive Offer Period, then the Company shall notify the other Shareholders of such non-subscription and of the number of New Securities available for subscription pursuant to this Article 21 (e) . The other Shareholders shall be granted an additional period of 15 (fifteen) Business Days, within which period, the other Shareholders shall notify the Company of their election to subscribe to the Unsubscribed Securities Entitlement. In the event that any of the New Securities are not subscribed to by the Subscribing Shareholders, then the Company may, at its election following the expiration of the Pre-Emptive Offer Period, sell and issue the New Securities or the remaining New Securities to any Proposed Recipient at a price and upon terms not more favourable to the Proposed Recipient than those stated in the notice referred to in Article 20(b); provided that in each case the Proposed Recipient shall agree in writing with the Parties to be bound by the terms and conditions of the Agreement and to execute a Deed of Adherence in the form set out at Part A of Schedule 4 of the Agreement, agreeing to be bound by certain obligations of Shareholders under the Agreement as identified in such Deed of Adherence. In the event the Company has not issued the New Securities to the Proposed Recipient within 3 (three) months from the expiry of Pre-Emptive Offer

Period, the Company shall not thereafter issue any Securities to a Proposed Recipient without first offering such securities to the Shareholders in the manner provided in Article 21 (a) above. Failure by such existing shareholder to exercise its option to subscribe for securities with respect to one offering and issuance of the Securities shall not affect its option to subscribe for Securities in any subsequent offering, sale and purchase.

- (f) Nothing in this Article 21 shall apply to any issuance or proposed issuance of any Securities:
  - (i) Pursuant to the terms of an employee stock option plan, approved by the Board in accordance with the provisions of these Articles; or
  - (ii) In a Qualified IPO approved and undertaken by the Company.

## 22. TRANSFER AND TRANSMISSION OF SHARES

- (a) The Company shall maintain a “Register of Transfers” and shall have recorded therein fairly and distinctly particulars of every transfer or transmission of any Share, Debenture or other Security held in a material form.
- (b) In accordance with Section 56 of the Act, the Rules and such other conditions as may be prescribed under Law, every instrument of transfer of Shares shall be in writing in the usual common form or in such form as may be prescribed under Section 56 of the Act and shall be delivered to the Company within such time as may be prescribed under the Act.
- (c)
  - (i) An application for the registration of a transfer of the Shares in the Company may be made either by the transferor or the transferee within the time frame prescribed under the Act.
  - (ii) Where the application is made by the transferor and relates to partly paid Shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee in a prescribed manner and the transferee communicates no objection to the transfer within 2 (two) weeks from the receipt of the notice.
- (d) Every such instrument of transfer shall be executed by both the transferor and the transferee and attested 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 Shareholders in respect thereof.
- (e) The Board shall have power on giving not less than 7 (seven) days previous notice by advertisement in a newspaper circulating in the city, town or village in which the Office of the Company is situated to close the transfer books, the Register of Shareholders and/or Register of Debenture-holders at such time or times and for such period or periods, not exceeding 30 (thirty) days at a time and not exceeding in the aggregate 45 (forty-five) days in each year, as it may deem expedient.
- (f) Transfers in violation of Agreement

None of the Shareholders shall Transfer or attempt to Transfer any Securities or any right, title or interest therein or thereto, except as expressly permitted by the provisions of the Agreement. Any Transfer or attempt by any Shareholder or its Affiliates to Transfer Securities in violation of the Agreement shall be null and void

*ab initio*, and the Company shall not register any such Transfer.

(g) Transfer by the Investor

- (i) Subject to the provisions of this Article 22 (g) (i) and Article 28 (b) the Investor Securities shall be freely transferable, other than to a Competitor, and nothing contained in these Articles shall apply to any Transfer of the Investor Securities, provided that upon the occurrence of an Event of Default under the Agreement, the Investor and its Affiliates shall be free to Transfer the Investor Securities to any Person including a Competitor.
- (ii) In the event that the Investor or any of its Affiliates proposes to Transfer any of the Investor Securities, the Promoters and the Company shall provide all co-operation and assistance to the Investor and such Affiliate(s), including (i) providing any potential transferee and its authorized Representatives with reasonable access to Company information (including all properties, assets, corporate, financial and other records, reports, books, contracts and commitments of the Company) and to discuss and consult with respect to its business, actions plans, budgets and finances with the Directors and executive officers of the Company, as may be requested by the Investor, and (ii) providing any assistance that may be required for obtaining any Consents in that regard.
- (iii) Subject to the provisions of Article 28 d, in the event that the Investor proposes to Transfer such number of Securities, not being lower than the Investor Threshold, the Investor shall be entitled to convert the Investor CCDs prior to or simultaneously with a proposed Transfer of any Securities by the Investor in accordance with the Agreement. It is clarified that such Investor CCDs proposed to be Transferred shall convert in accordance with the Conversion Ratio, where for this purpose, the “Qualified Liquidity Event Valuation” shall mean the equity value of the Company ascribed to the Company by the proposed transferee, in determining the price at which such transferee has offered to acquire the Securities of the Company from the Investor.
- (iv) The Investor shall, at any time subject to the provisions of the Agreement, be entitled to seek a third party purchaser to purchase any or all of the Equity Securities held by the Investor and its Affiliates. The Company and the Promoter agree that (i) they shall take all such actions as may be required to facilitate the sale of the Equity Securities by the Investor and its Affiliates to such third party purchaser (including without limitation by way of providing necessary disclosures of information, access to information, documentation and management of the Company, and providing customary representations, warranties and indemnities in relation to the Company, its Business and operations); and (ii) provide such third party purchaser with such standard rights as are customarily made available to a Financial Investor. It is clarified that such rights to a Financial Investor should also include standard and customary exit rights.
- (v) It is clarified that the rights of the Investor under Article 22 g (iv) shall be available to the Investor for as long as the Investor Transfers such number of Securities as is equivalent to or higher than the Investor Threshold, notwithstanding any (i) previous Transfer of Investor Securities by the Investor in any manner; or (ii) any termination or fall away of any of the other rights of the Investor under the Agreement, including without limitation

the rights of the Investor under Article 30, Article 31, Article 32, Article 33 or Article 33 f to Article 33.

(h) Transfers by the Promoters

Subject to Article 22 (i), no Transfer may be made by the Promoters or their Affiliates that:

- (i) Violates in any manner the provisions of the Agreement;
- (ii) Unless the Transfer complies in all respects with Applicable Law;
- (iii) The Transferee agrees in writing to be bound by the terms and conditions of the Agreement by executing a Deed of Adherence in the form and manner attached at Part B of Schedule 4 of the Agreement.

(i) Permitted Transfers by Promoters

- 1) Notwithstanding anything to the contrary contained herein, but subject to compliance in all respects with applicable Law and the provisions of the Agreement, the Promoter Group and their Affiliates may, at any time without compliance with the provisions of Article 22 (h), Transfer any Securities held by the Promoter Group to an Affiliate of the Promoter Group or within the Promoter Group itself, with prior written notice to the Board and the Investor, subject to such Affiliate (“**Permitted Transferee**”) agreeing to be bound by the terms and conditions of the Agreement by executing a Deed of Adherence in the form set out in Part B of Schedule 4 of the Agreement.
- 2) The Promoters undertake that each of them shall, prior to a Permitted Transferee ceasing to be an Affiliate, acquire by themselves or, subject to compliance with Article 22(i)(1), through any of their Affiliates, all of the Securities held by such Affiliate, notwithstanding that such Permitted Transferee has executed a Deed of Adherence in the form and manner attached in Part B of Schedule 4 of the Agreement.
- 3) In the event of a transfer of Securities by the Promoters to any of their Affiliates, the Promoters shall continue to be bound by the duties and obligations cast upon them under the Agreement.

(j) Avoidance of Restrictions. The Promoters agrees that the Transfer restrictions in the Agreement and in these Articles shall not be capable of being avoided by the holding of Securities indirectly through a company or other entity, the shares of which company or entity can itself be transferred in order to Transfer an interest in the Securities. Any Transfer of any shares as set out in the preceding sentence or any change in the shareholding of the Promoters (wherever applicable) shall be treated as being a Transfer of Securities by the Promoters and consequently a breach of the Transfer restrictions in the Agreement and these Articles.

(k) Intimation to Shareholders. Within 10 (ten) Business Days after registering any Transfer of Securities in its register of members, the Company shall send a notice to each Shareholder stating that such Transfer has been completed and setting forth the name of the transferor, the name of the transferee and the number of Securities Transferred, and if applicable, the Deed of Adherence executed by the transferee in respect of the Securities so Transferred.

- (l) Subject to the provisions of Sections 58 and 59 of the Act, or any statutory modification of the said provisions for the time being in force and any other Law, the Board may, at its own absolute and uncontrolled discretion and without assigning any reason, decline to register or acknowledge any transfer of Shares and in particular may so decline in any case in which (i) if the Company has a lien upon the Shares or any of them or (ii) whilst any moneys in respect of the Shares desired to be transferred or any of them has remained unpaid or not or unless the transferee is approved by the Board and such refusal shall not be affected by the fact that the proposed transferee is already a Shareholder. But in such cases it shall, within one (1) month from the date on which the instrument of transfer was lodged with the Company send to the transferee and the transferor notice of refusal to register such transfer. The registration of a transfer shall be conclusive evidence of the approval of the Board of the transferee.

Provided that, 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.

- (m) Subject to the provisions of the Act and these Articles, the Directors shall have the absolute and uncontrolled discretion to refuse to register a Person entitled by transmission to any Shares or his nominee as if he were the transferee named in any ordinary transfer presented for registration, and shall not be bound to give any reason for such refusal and in particular may also decline in respect of Shares upon which the Company has a lien.
- (n) Subject to the provisions of these Articles and the Agreement any transfer of Shares in whatever lot should not be refused, though there would be no objection to the Company refusing to split a share certificate into several scrips of any small denominations or to consider a proposal for transfer of Shares comprised in a share certificate to several Shareholders, involving such splitting, if on the face of it such splitting/transfer appears to be unreasonable or without a genuine need. The Company should not, therefore, refuse transfer of Shares in violation of the stock exchange listing requirements on the ground that the number of Shares to be transferred is less than any specified number.
- (o) In case of the death of any one or more Shareholders named in the Register of Shareholders as the joint-holders of any Share, the survivors shall be the only Shareholder or Shareholders recognized by the Company as having any title to or interest in such Share, but nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability on Shares held by him jointly with any other Person.
- (p) The Executors or Administrators or holder of the Succession Certificate or the Legal Representatives of a deceased Shareholder, (not being one of two or more joint-holders), shall be the only Shareholders recognized by the Company as having any title to the Shares registered in the name of such Shareholder, and the Company shall not be bound to recognize such Executors or Administrators or holders of Succession Certificate or the Legal Representatives unless such Executors or Administrators or Legal Representatives shall have first obtained Probate or Letters of Administration or Succession Certificate, as the case may be, from a duly constituted court in the Union of India, provided that the Board may in its absolute discretion dispense with production of Probate or Letters of Administration or Succession Certificate, upon such terms as to indemnity or otherwise as the Board may in its absolute discretion deem fit and may under Article 23(a) of these Articles register the name of any

Person who claims to be absolutely entitled to the Shares standing in the name of a deceased Shareholder, as a Shareholder.

- (q) The Board shall not knowingly issue or register a transfer of any share to a minor or insolvent or Person of unsound mind.
- (r) Subject to the provisions of Articles, any Person becoming entitled to Shares in consequence of the death, lunacy, bankruptcy of any Shareholder or Shareholder, or by any lawful means other than by a transfer in accordance with these Articles, may with the consent of the Board, (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article, or of his title, as the Board thinks sufficient, either be registered himself as the holder of the Shares or elect to have some Person nominated by him and approved by the Board, registered as such holder; provided nevertheless, that if such Person shall elect to have his nominee registered, he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained and until he does so, he shall not be freed from any liability in respect of the Shares.
- (s) A Person becoming entitled to a Share by reason of the death or insolvency of a Shareholder shall be entitled to the same Dividends and other advantages to which he would be entitled if he were the registered holder of the Shares, except that he shall not, before being registered as a Shareholder in respect of the Shares, be entitled to exercise any right conferred by membership in relation to meetings of the Company.

Provided that the Directors shall, at any time, give notice requiring any such Person to elect either to be registered himself or to transfer the Shares, and if such notice is not complied with within 90 (ninety) days, the Directors may thereafter withhold payment of all Dividends, bonuses or other money(ies) payable in respect of the Shares until the requirements of the notice have been complied with.

- (t) Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by such evidence as the Board may require to prove the title of the transferor, his right to transfer the Shares. Every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board.

In case of transfer and transmission of Shares or other marketable securities where the Company has not issued any certificates and where such Shares or Securities are being held in any electronic and fungible form in a Depository, the provisions of the Depositories Act shall apply.

- (u) Before 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 a properly stamped and executed instrument of transfer in accordance with the provisions of Section 56 of the Act.
- (v) No fee shall be payable to the Company, in respect of the transfer or transmission of Shares, or for registration of any power of attorney, probate, letters of administration and succession certificate, certificate of death or marriage or other similar documents.
- (w) 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 Shareholders), to the prejudice of a Person or Persons having or claiming any

equitable right, title or interest to or in the said Shares, notwithstanding that the Company may have had any notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto, in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice, and give effect thereto if the Board shall so think fit.

- (x) The provision of these Articles shall subject to the provisions of the Act, the Rules and any requirements of Law. Such provisions shall mutatis mutandis apply to the transfer or transmission by operation of law to other Securities of the Company.

## 23. DEMATERIALIZATION OF SECURITIES

- (a) De-materialization: Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its existing Securities, rematerialize its Securities held in the Depositories and/or to offer its fresh Securities in a dematerialized form pursuant to the Depositories Act, and the rules framed thereunder, if any.
- (b) Notwithstanding anything contained in these Articles to the contrary, in the event the Securities of the Company are dematerialized, the Company shall issue appropriate instructions to the Depository not to Transfer the Securities of any Shareholder except in accordance with these Articles and the Agreement. The Company shall cause the Promoters to direct their respective Depository participants not to accept any instruction slip or delivery slip or other authorisation for Transfer in contravention of these Articles and the Agreement.
- (c) Options for Investors: Every Person subscribing to the 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 law, in respect of any Securities in a 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.
- (d) If a Person opts to hold his Securities with a 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.
- (e) Securities in Depositories to be in fungible form: All Securities held by a Depository shall be dematerialized and be in fungible form. Nothing contained in Sections 88, 112 of the Act, 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.
- (f) Rights of Depositories & Beneficial Owners:
  - (i) Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the Registered Owner for the purposes of effecting transfer of ownership of Securities on behalf of the Beneficial Owner.

- (ii) Save as otherwise provided in (i) 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.
- (iii) Every person holding Shares of the Company and whose name is entered as the Beneficial Owner in the records of the Depository shall be deemed to be a Shareholder of the Company.
- (iv) The Beneficial Owner of Securities shall, in accordance with the provisions of these Articles and the Act, be entitled to all the rights and subject to all the liabilities in respect of his Securities, which are held by a Depository.
- (g) 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.
- (h) Transfer of Securities:
  - (i) Nothing contained in Section 108 of the Act or these Articles shall apply to a transfer of Securities effected by transferor and transferee both of whom are entered as Beneficial Owners in the records of a Depository.
  - (ii) In the case of transfer or transmission of Shares or other marketable Securities where the Company has not issued any certificates and where such Shares or Securities are being held in any electronic or fungible form in a Depository, the provisions of the Depositories Act shall apply.
- (i) 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 of allotment of relevant Securities thereof to the Depository immediately on allotment of such Securities.
- (j) Certificate Number and other details of Securities in Depository: Nothing contained in the Act or these Articles regarding the necessity of having certificate number/distinctive numbers for Securities issued by the Company shall apply to Securities held with a Depository.
- (k) Register and Index of Beneficial Owners: The Register and Index of Beneficial Owners maintained by a Depository under the Depositories Act, shall be deemed to be the Register and Index (if applicable) of Shareholders and Security-holders for the purposes of these Articles.

## 24. NOMINATION OF SHARES

- a) Every holder of Shares or holder of Debentures of, the Company may, at any time, nominate, in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, a Person as his nominee in whom Shares in, or Debentures of, the Company shall vest in the event of his death.
- b) Where the Shares in, or Debentures of, the Company are held by more than 1 (one) Person jointly, the joint holders may together nominate, in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, a Person as their nominee in whom all the rights in the Shares or Debentures of the Company shall vest in the event of death of all the joint holders.

- c) Notwithstanding anything contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, in respect of such Shares in or Debentures of, the Company, where a nomination made in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, 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 Shareholder or debenture holder of the Company or, as the case may be, on the death of the joint holders become entitled to all the rights in the Shares or Debentures of the Company or, as the case may be, all the joint holders, in relation to such 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 Companies (Share Capital and Debentures) Rules, 2014.
- d) Where the nominee is a minor, the holder of the Shares or Debentures concerned, can make the nomination to appoint in prescribed manner under the Companies (Share Capital and Debentures) Rules, 2014, any Person to become entitled to the Shares or Debentures of the Company in the event of his death, during the minority.

## 25. TRANSMISSION IN CASE OF NOMINATION

- (a) Notwithstanding anything contained in other Articles, any Person who becomes a nominee by virtue of the provisions of Section 72 of the Act, upon the production of such evidence as may be required by the Board and subject as hereinafter provided, elect either:-
  - (i) to be registered himself as holder of the Share or Debenture, as the case may be, or
  - (ii) to make such transfer of the Share or Debenture, as the case may be, as the deceased shareholder or debenture holder, as the case may be, could have made.
- (b) If the person being a nominee, so becoming entitled, elects to be registered as holder of the Share or Debenture, himself, 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 the death certificate of the deceased Shareholder or debenture holder, as the case may be.
- (c) All the limitations, restrictions and provisions of the Act relating to the right to transfer and the registration or transfer of Shares or Debentures shall be applicable to any such notice or transfer as aforesaid as if the death of the Shareholder had not occurred and the notice or transfer where a transfer signed by that Shareholder or debenture holder, as the case may be.
- (d) A Person, being a nominee, becoming entitled to a Share or Debenture by reason of the death of the holder shall be entitled to the same Dividends 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 a Shareholder in respect of his Share or Debenture, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.

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 with 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 requirements of the notice have been complied with.

26. NOMINATION FOR FIXED DEPOSITS

A depositor may, at any time, make a nomination and the provisions of Sections 72 of the Act, shall, as far as may be, apply to the nominations made in relation to the deposits made subject to the provisions of the Rules as may be prescribed in this regard.

27. NOMINATION IN CERTAIN OTHER CASES

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

28. RESTRICTED RIGHT OF TRANSFER

(a) No Person shall exercise any rights or privileges of Shareholders until he shall have paid all sums (whether in respect of call or otherwise) for the time being due in respect of the Shares held by him or due in any manner whatsoever to the Company.

(b) NON DISPOSAL UNDERTAKING

(i) The Promoters hereby covenant that they shall, for as long as the Investor holds at least such number of Equity Securities as is equivalent to the Investor Threshold:

- 1) continue to hold the entire shareholding in the Company held by the Promoter Group as on the Effective Date and any additional Securities as may be acquired by the Promoter Group at any time ("**Locked-in Shareholding**"), and not dilute, Transfer or further Encumber such Locked-In Shareholding without Investor Consent, provided that in the event that any Encumbrance existing over the Equity Shares of the Company as on the date hereof is released, the Promoters shall be permitted to create a further Encumbrance over the Locked-In Shareholding, subject to at least 51% (fifty one per cent) of the Equity Share Capital of the Company, calculated on a Fully Diluted Basis, being, at all times, free and clear of Encumbrances;
- 2) retain Control over the management and affairs of the Company and be engaged in the day-to-day management of the Company and primarily be responsible for the implementation of the Business Plan and the business objectives of the Company, including in accordance with the terms of the Agreement; and
- 3) other than due to any physical / medical incapacity, ensure that MS continues to discharge his role and responsibilities as the Managing Director of the Company.

- 4) The Promoters hereby agree that any additional Equity Securities or share equivalents hereafter acquired by the Promoters (whether as a result of any increase in the Equity Share Capital of the Company, exercise of any pre-emptive right, any purchase by the Promoters of additional Equity Shares or share equivalents of the Company, any conversion or exchange of the Equity Shares, or otherwise) shall be subject to the provisions of these Articles, including any restrictions on Transfer set forth herein.
  - 5) Subject to the these Articles, none of the Promoters or their Affiliates shall, without Investor Consent, enter into any swap, re-organisation or re-arrangement or other agreement or any transaction that directly or indirectly Transfers, in whole or in part, the economic interest or the beneficial ownership of any Equity Shares held by the Promoters or their Affiliates, provided that this restriction shall not apply to inter se Transfer of Equity Shares within the Promoter Group.
- (ii) Notwithstanding anything contained herein, for as long as (i) MS continues to be responsible for the Business and operations of the Company as a Managing Director of the Company other than due to any physical / medical incapacity, and (ii) the Promoters continue to retain Control of the Company, no breach of Article 28 (b) shall be deemed to have occurred even if the Promoters' Locked-In Shareholding is less than the percentage of Equity Share Capital of the Company held by the Promoter Group as on the Effective Date ("**Dilution**"), provided that such Dilution occurs as a result of:
- 1) the Transfer of, or creation or enforcement of any Security Interest or Encumbrance, by the Promoters over no more than an aggregate of 10% (ten per cent) of the Equity Shares held by the Promoters ("**Promoter Liquidity Shares**"); provided that
    - I. the transferee of such Promoter Liquidity Shares ("**Promoter Liquidity Share Transferee**") shall not be, and the Promoter shall ensure that no Promoter Liquidity Share is transferred to, a Person who is not a Fit and Proper Person; and
    - II. each such Promoter Liquidity Share Transferee shall, and the Promoter shall ensure that each such Promoter Liquidity Share Transferee shall, execute a deed of adherence in the form set out in **Part E** of **Schedule 4** of the Agreement agreeing to be bound by certain obligations of Shareholders under the Agreement as identified in such Deed of Adherence; and
    - III. such Transfer is made to a reputed Strategic Investor or Financial Investor, or
  - 2) the issuance of Equity Shares by the Company in an Initial Public Offer undertaken in accordance with Article 30.
- (c) **RIGHT OF FIRST OFFER FOR PROMOTER TRANSFERS**
- (i) First Offer Right. Subject to Article 28 (b) above, if any member of the Promoter Group (the "**Transferring Shareholder**") propose(s) to Transfer

its or their Securities in accordance with the terms of the Agreement, the Investor shall first have a right of first offer (the “**First Offer Right**”) with respect to such Transfer as provided in this Article 28 (c).

- (ii) Transfer Notice. If the Transferring Shareholder proposes to sell any of its Securities, the Transferring Shareholder shall send a written notice at least 60 (sixty) Business Days prior to the planned date of the Transfer (the “**Transfer Notice**”) to the Investor, which notice shall state the number and type of the Securities proposed to be Transferred (“**Offered Securities**”).
- (iii) Exercise of Rights. For a period of 45 (forty five) Business Days after delivery of a Transfer Notice (the “**Offer Period**”), the Investor shall have the right (but not the obligation), exercisable through the delivery of an Offer Election Notice as provided in this Article 28(c)(3), to offer a price (“**Offer Price**”) for purchase, by the Investor or any of its Affiliates, of all and not less than all of the Offered Securities upon the other terms and conditions set forth in the Transfer Notice. The First Offer Right of the Investor under Article 28 (c)(1) shall be exercisable by delivery by the Investor, of a written notice of exercise (“**Offer Election Notice**”) within the Offer Period to the Transferring Shareholder.
- (iv) In the event that the Transferring Shareholder accepts the offer made by the Investor in terms of the Offer Election Notice, which acceptance shall be communicated within a period of 5 (five) Business Days from the date of receipt of the Offer Election Notice, the Transferring Shareholder shall be under an obligation to sell, and the Investor will be under an obligation to buy, the Offered Securities on the terms and conditions (including price) mentioned in the Offer Election Notice and sale and transfer shall be completed within a period of 15 (fifteen) Business Days from the date of the Offer Election Notice or such other extended period as may be agreed between the Transferring Shareholder and the Investor.
- (v) In the event that the Transferring Shareholder does not accept the Investor’s offer to purchase the Offered Securities or does not receive the Offer Election Notice within 45 (forty five) Business Days of receipt of the Transfer Notice by the Investor or if the Investor elects not to purchase the Offered Securities, the Transferring Shareholder shall, subject to Article 28 (e), be free to offer the Offered Securities to any third party (“**Purchaser**”) at a price, which shall be at least 10% (ten per cent) higher than the Offer Price and on the terms and conditions no less favourable to the Transferring Shareholder than those offered in the Offer Election Notice. If the Transferring Shareholder receives an offer for the purchase of the Offered Securities from any Purchaser, at a price that is higher than the Offer Price by less than 10% (ten per cent) of the Offer Price (“**Revised Price**”), the Transferring Shareholder shall provide the Investor with a written notice setting out such price offered by the Purchaser, and the other terms if any, of the sale of the Offered Securities to the Purchaser (“**Revised Price Notice**”). The Investor shall have the right, exercisable by it by way of delivery of a written notice within 15 (fifteen) days from the date of receipt of the Revised Price Notice by the Investor, to purchase the Offered Securities at a price equal to the Revised Price. If the Investor agrees to purchase the Offered Securities at such Revised Price, then the Transferring Shareholder shall be under the obligation to sell, and the Investor will be under an obligation to buy, the Offered Securities at the Revised Price and on the terms set out in the Revised Price Notice within 45 (forty five) Business Days of the receipt of the Revised Price Notice. In the

event if the Investor does not confirm to purchase the Offered Securities at the Revised Price in terms of the Revised Price Notice then the Transferring Shareholder shall be free to sell the Offered Securities to the Purchaser, provided that such Purchaser executes a Deed of Adherence in the form set out in Part E of Schedule 4 of the Agreement pursuant to which such transferee or acquirer, shall agree to abide by and adhere to all obligations of the Promoters under the Agreement.

- (vi) Consents. If the Investor and/or its Affiliates or nominees elect to purchase the Offered Securities pursuant to the foregoing Articles, the Promoters shall and shall cause the Company to apply for and obtain all such Consents and take all necessary corporate actions as may be required to Transfer the Offered Securities to the Investor and/or its Affiliates or nominees within 15 (fifteen) Business Days from the date of receipt of the Offer Election Notice by the Transferring Shareholder. In the event the Investor is desirous of purchasing any Offered Securities, but is unable to participate in such purchase due to any restrictions under Law or for any other reason as the Investor may deem appropriate, the Investor shall have the right to nominate any Person of its election to purchase the Offered Securities offered in accordance with the provisions of this Article 28(c).
- (vii) Closing. The closing of any purchase of Offered Securities by the Investor shall be held at the registered office of the Company on the 15th (fifteenth) Business Day from the date of receipt of the Offer Election Notice or confirmation of purchase to the Revised Price Notice by the Transferring Shareholder, or at such other time and place as the parties to the transaction may agree. At such closing, the Transferring Shareholder shall deliver certificates representing the Offered Securities, accompanied by duly executed instruments of transfer or duly executed transfer instructions to the relevant depository participant. Such Offered Securities shall be free and clear of any Security Interest or Encumbrance, and the Transferring Shareholder shall so represent and warrant and shall further represent and warrant that it is the legal, beneficial and recorded owner of such Offered Securities. The Investor shall deliver at such closing, payment in full, of the Offer Price in accordance with the terms set forth in the Transfer Notice subject to any requisite transfer taxes. At such closing, all of the parties to the transaction shall execute such additional documents as may be necessary or appropriate to effect the sale of the Offered Securities to the Investor.

(d) **RIGHT OF FIRST OFFER FOR INVESTOR TRANSFERS**

- (i) First Offer Right. If the Investor or any of its Affiliates (the “**Investor Transferring Shareholder**”) propose(s) to Transfer its or their Securities in accordance with the terms of the Agreement, the Promoters shall first have a right of first offer (the “**Promoter First Offer Right**”) with respect to such Transfer as provided in this Article 28. Notwithstanding anything contained in herein any obligations of the Investor under this Article 28 (d) shall fall away and immediately cease to have effect upon the earlier of (i) the expiry of 54 (fifty four) months from the Completion Date; or (ii) the occurrence of an Event of Default.
- (ii) Transfer Notice. If the Investor Transferring Shareholder proposes to sell any of the Investor Securities, the Investor Transferring Shareholder shall send a written notice at least 60 (sixty) Business Days prior to the planned date of the Transfer (the “**Investor Transfer Notice**”) to the Promoters, which notice

shall state the number and type of the Investor Securities proposed to be Transferred ("**Investor Offered Securities**").

- (iii) Exercise of Rights. For a period of 45 (forty five) Business Days after delivery of an Investor Transfer Notice (the "**Promoter Offer Period**"), the Promoters shall have the right (but not the obligation), exercisable through the delivery of a Promoter Offer Election Notice as provided in this Article 28 (d)(iii), to offer a price ("**Promoter Offer Price**") for purchase, by the Promoter or any of its Affiliates, of all or part of the Investor Offered Securities upon the other terms and conditions set forth in the Investor Transfer Notice. The Promoter First Offer Right of the Promoters under Article 28 (d) (i) shall be exercisable by delivery by the Promoters, of a written notice of exercise ("**Promoter Offer Election Notice**") within the Promoter Offer Period to the Investor Transferring Shareholder.
- (iv) In the event that the Investor Transferring Shareholder accepts the offer made by the Promoters in terms of the Promoter Offer Election Notice, which acceptance shall be communicated within a period of 15 (fifteen) Business Days from the date of receipt of the Promoter Offer Election Notice, the Investor Transferring Shareholder shall be under an obligation to sell, and the Promoters will be under an obligation to buy, the Investor Offered Securities on the terms and conditions (including price) mentioned in the Promoter Offer Election Notice and sale and transfer shall be completed within a period of 15 (fifteen) Business Days from the date of the Promoter Offer Election Notice or such other extended period as may be agreed between the Investor Transferring Shareholder and the Promoters.
- (v) In the event that the Investor Transferring Shareholder does not accept the Promoters' offer to purchase the Investor Offered Securities or does not receive the Promoter Offer Election Notice within 45 (forty five) Business Days of receipt of the Investor Transfer Notice by the Promoters or if the Promoters elect not to purchase the Investor Offered Securities, the Investor Transferring Shareholder shall be free to offer the Investor Offered Securities to any third party ("**Investor Purchaser**") at a price, which shall be at least 10% (ten per cent) higher than the Promoter Offer Price and on the terms and conditions no less favourable to the Investor Transferring Shareholder than those offered in the Promoter Offer Election Notice. If the Investor Transferring Shareholder receives an offer for the purchase of the Investor Offered Securities from any Investor Purchaser, at a price that is higher than the Promoter Offer Price by less than 10% (ten per cent) of the Promoter Offer Price ("**Investor Revised Price**"), the Investor Transferring Shareholder shall provide the Promoters with a written notice setting out such price offered by the Investor Purchaser, and the other terms if any, of the sale of the Investor Offered Securities to the Investor Purchaser ("**Investor Revised Price Notice**"). The Promoters shall have the right, exercisable by them by way of delivery of a written notice within 15 (fifteen) days from the date of receipt of the Investor Revised Price Notice by the Promoters, to purchase the Investor Offered Securities at a price equal to the Investor Revised Price. If the Promoters agree to purchase the Investor Offered Securities at such Investor Revised Price, then the Investor Transferring Shareholder shall be under the obligation to sell, and the Promoters will be under an obligation to buy, the Investor Offered Securities at the Investor Revised Price and on the terms set out in the Investor Revised Price Notice. In the event that the Promoters do not agree to purchase the Investor Offered Securities at the Investor Revised Price in terms of the Investor Revised Price

Notice, then the Investor shall be free to sell the Investor Offered Securities to the Investor Purchaser and thereafter, the Investor Purchaser of such Investor Offered Securities shall execute a Deed of Adherence in the form set out in Part C of Schedule 4 of the Agreement pursuant to which such Investor Purchaser shall be entitled to all the rights and shall be bound by all obligations of the Investor under the Agreement; provided that such Investor Purchaser shall only be entitled to the rights of the Investor under the Agreement in the event that such Investor Purchaser acquires such number of Securities as is equal in number to at least 20% (twenty per cent) of the number of Subscription Securities subscribed to by the Investor at Completion.

- (vi) Closing. The closing of any purchase of Investor Offered Securities by the Promoters shall be held at the registered office of the Company on the 15th (fifteenth) Business Day from the date of receipt of the Promoter Offer Election Notice by the Investor Transferring Shareholder, or at such other time and place as the parties to the transaction may agree. At such closing, the Investor Transferring Shareholder shall deliver certificates representing the Investor Offered Securities, accompanied by duly executed instruments of transfer or duly executed transfer instructions to the relevant depository participant. Such Investor Offered Securities shall be free and clear of any Security Interest or Encumbrance, and the Investor Transferring Shareholder shall so represent and warrant and shall so represent and warrant and shall further represent and warrant that it is the legal, beneficial and record owner of such Investor Offered Securities. The Investor Transferring Shareholder shall not be required to make any other representations or warranties or provide any indemnification, save for in relation to the title of the Investor Offered Securities, in connection with the proposed Transfer of the Investor Offered Securities. The Promoters shall deliver at such closing, payment in full, of the Promoter Offer Price in accordance with the terms set forth in the Investor Transfer Notice subject to any requisite transfer taxes. At such closing, all of the parties to the transaction shall execute such additional documents as may be necessary or appropriate to effect the sale of the Investor Offered Securities to the Promoters.

(e) TAG ALONG RIGHT

- (i) Tag Along Notice. Other than in the case of such transfers as may be permitted under Article 28(b)(ii)(1) above, if any Transferring Shareholder proposes to make a Transfer of Securities to a Transferee, and the Investor has either (i) elected not to exercise its First Offer Right under Article 28(b); or (ii) has failed to deliver a notice electing to exercise such First Offer Right within the Offer Period, then such Transferring Shareholder shall, at least 15 (Business Days) prior to the proposed Transfer, shall send a written notice ("**Tag-Along Notice**") to the Investor, which notice shall state: (i) the name and address and identity of the proposed Transferee, (ii) the number of Offered Securities to be Transferred ("**Sale Securities**"), (iii) the amount and form of the proposed consideration for the Transfer, (iv) the other terms and conditions of the proposed Transfer, (v) a representation that no consideration, tangible or intangible, is being provided to the Transferring Shareholder or any of its Affiliates that is not reflected in the price to be paid to the Investor exercising their Tag-Along Rights hereunder, (vi) the number of Securities the Transferring Shareholder together with its Affiliates then owns, and (vii) an offer exercisable at the sole option of the Investor, to include in such sale to the Transferee, the Tag-Along Securities as defined

Article 28 (d)(ii) below. In the event that the proposed consideration for the Transfer includes consideration other than cash, the Tag-Along Notice shall include a calculation of the fair market value of such consideration as determined by an internationally reputed investment bank chosen by the Investor, where the fee of such investment bank shall be borne and paid by the Company. The total value of the consideration for the proposed Transfer is referred to herein as the “**Tag-Along Price.**”

- (ii) Tag-Along Rights. The Investor shall have the right (“**Tag-Along Right**”) but not the obligation to require the Transferring Shareholder to cause the Transferee in a Transfer of Securities to purchase from the Investor and/or its Affiliates, for the same consideration per Sale Security and upon the same terms and conditions as are to be paid and given to the Transferring Shareholder and/or its Affiliates (except that the Investor and its Affiliates will not be required to make any representations or warranties except as provided in Article 28 (d)(v) or otherwise be liable for any indemnification obligations, save for in relation to the title of the Sale Securities), all or part of the Investor Securities (“**Tag-Along Securities**”).
- (iii) Tag-Along Acceptance. In the event the Investor and/or its Affiliates elects to exercise the Tag-Along Right, the Investor shall, within 30 (thirty) Business Days following the receipt of the Tag-Along Notice, deliver a written notice of such election to the Transferring Shareholder (“**Tag Acceptance Notice**”), which Tag Acceptance Notice shall state the number of Tag-Along Securities that it proposes to Transfer to such Transferee. Such notice shall be irrevocable and shall constitute a binding agreement by the Investor and/or its Affiliates to sell such Tag-Along Securities on the terms and conditions set forth in the Tag Acceptance Notice.
- (iv) Non-Consummation. Where the Investor and/or its Affiliates have properly elected to exercise its Tag-Along Right and the proposed Transferee fails to purchase all the Tag Along Securities from the Investor and/or its Affiliates, the Transferring Shareholder shall not make the proposed Transfer of any of the Sale Securities, and if purported to be made, such Transfer shall be void and the Company shall not register any such Transfer of the Sale Securities.
- (v) Closing. The closing of any purchase of Tag Along Securities by the Transferee from the Investor and/or its Affiliates shall take place simultaneous with the closing of the purchase of Sale Securities by the Transferee from the Transferring Shareholder or at such other time and place as the Investor and the Transferee may agree in writing. At such closing, the Investor and/or its Affiliates shall deliver certificates representing the Tag-Along Securities, accompanied by duly executed instruments of transfer or duly executed transfer instructions to the relevant depository participant. Such Tag-Along Securities shall be free and clear of any Security Interest or Encumbrance, and the Investor and/or its Affiliates shall so represent and warrant and shall further represent and warrant that it is the legal, beneficial and record owner of such Tag-Along Securities. The Investor and its Affiliates shall not be required to make any other representations or warranties or provide any indemnification, save for in relation to the title of the Tag-Along Securities, in connection with the proposed Transfer of the Tag-Along Securities. Any Transferee purchasing the Tag-Along Securities shall deliver at such closing payment in full of the Tag-Along Price in accordance with the terms set forth in the Tag-Along Notice, an executed Deed of Adherence in the form set out in Part D of Schedule 4 of the

Agreement pursuant to which the Transferee shall agree to abide by and adhere to all obligations of the Promoters under the Agreement (in the event that the Tag Along Securities do not represent all the Investor Securities) and any requisite transfer taxes. At such closing, all of the parties to the transaction shall execute such additional documents as may be necessary or appropriate to effect the sale of the Tag Along Securities to the Transferee.

29. NON-COMPETE AND NON-SOLICIT

a) Non-Compete

- (i) The Company shall be the exclusive vehicle through which the Promoter Group shall pursue the Core Activities. The Promoters shall not, and shall procure that the Promoter Group does not, directly, indirectly or beneficially, by themselves or in association with or through any Person:
  - 1) commence, establish, engage in, invest in, carry on, own, manage, operate, join, assist; and/or
  - 2) canvass or solicit business, customers, distributor, supplier, dealer, or agents for,
  - 3) provide any know-how or technical assistance to,
- (ii) any Person that (i) is engaged in business, operations or activities similar to, the Core Activities, (ii) offers the same or similar products / services to the products / services offered by the Company as part of the Core Activities, or (iii) in any other manner competes with the Company in relation to the Core Activities.
- (iii) In addition to the restrictions imposed in this Article 28(a), MS shall, and the Promoters and the Company shall use best efforts to ensure that the Key Officers, and the members of key management / executive team of the Company shall, not advise or participate in or be engaged, concerned with or interested whether in a management or executive capacity or otherwise and whether as a partner, principal, agent, executive director, affiliate, employee or consultant, or enter into any agreement or arrangement with, any Person (not being the Company) or in any other business undertaking engaged in Core Activities.
- (iv) MS shall, and the Promoters and the Company shall use best efforts to ensure that the Key Officers, and the members of key management / executive team of the Company shall continue to devote a substantial part of their time and attention to the Core Activities of the Company.
- (v) Any investment, funding, execution of any agreement, or any other action whatsoever by any of the Promoter Group in connection with any business or activities similar to or competing with the Core Activities shall require an Investor Consent.

b) Non-Solicitation

- (i) The Promoter Group shall not and the Promoters shall procure that the Promoter Group shall not, whether directly or indirectly, by themselves or in association with or through any Person, in any manner whatsoever (whether

in their own capacity or in conjunction with or on behalf of any Person, as an employee, adviser, partner or shareholder of or consultant to any other Person, firm or company), do or undertake or attempt to do or undertake any of the following activities:

- 1) Tender for, canvass or solicit or attempt to tender for, canvass or solicit the business of or employment of any current corporate client or customer of the Company;
- 2) Induce or attempt to induce any current corporate client, customer or supplier of the Company to cease to deal with the Company or otherwise interfere with the relationship between such corporate client, customer or supplier and the Company;
- 3) Hire or solicit the employment of any Key Officer, Director, or employee of the Company;
- 4) Induce or attempt to induce any Key Officer, Director or employee of the Company to leave the employment of the Company or otherwise interfere in any manner with the contractual, employment or other relationship of such Key Officer, Director or employee of the Company with the Company; or
- 5) Assist, influence, encourage or induce such action in any manner whatsoever.

c) Reasonableness

- (i) The Promoters hereby agree, acknowledge and confirm, on behalf of themselves and the Promoter Group, that:
  - 1) The transaction contemplated hereunder is a transfer of economic interest in the Company to the Investor on the basis of a valuation agreed upon between the Parties and the obligations under this Article 28 are integral and necessary for protecting the value of the Company on the basis of which the transactions contemplated in hereunder have been valued by all Parties hereto.
  - 2) By holding the Investor Securities, the Investor will own and/or enjoy all of the economic and other benefits of the Core Activities of the Company and the goodwill in respect thereof commensurate with its shareholding.
  - 3) The restrictions contained in this Article are reasonable and justified in light of the transactions contemplated under the Agreement, and are not greater than necessary for the legitimate preservation of the value of the Company and protection of the Core Activities, goodwill and/or other interests of the Company.
- (ii) In the event that any of the restrictions contained in this Article 29 are rendered void, but would be valid if some part thereof was deleted or the scope, period or area of application were reduced, the above restriction shall apply with the deletion of such words or such reduction of scope, period or area of application as may be required to make the restrictions contained in this Article 29 valid and effective.

- (iii) Notwithstanding the limitation of this provision by any Law for the time being in force, the Promoters undertake to at all times observe and be bound by the spirit of this Article 29 provided, however, that on the revocation, removal or diminution of the Law or provisions, as the case may be, by virtue of which the restrictions contained in this Article 29 were limited as provided hereinabove, the original restrictions would stand renewed and be effective to their original extent, as if they had not been limited by Law or provisions revoked.
- (iv) The Promoters agree and acknowledge that the covenants and obligations with respect to non-compete and non-solicit as set forth in this Article 29 relate to special, unique and extraordinary matters, and that a violation of any of the terms of such covenants and obligations will cause the Company irreparable injury. Therefore, the Promoters agree that the Company and/or the Investor shall be entitled to an interim injunction, restraining order or such other equitable relief as a court of competent jurisdiction may deem necessary or appropriate to restrain the Promoters and/or their Affiliates from committing any violation of the covenants and obligations contained in this Article 28. These injunctive remedies are cumulative and are in addition to any other rights and remedies that the Company and/or the Investor may have in law or in equity.

### 30. INITIAL PUBLIC OFFERING

#### a) IPO Covenant.

- (i) The Company and the Promoters agree that it is their intention to do a Qualified IPO, or an IPO acceptable to the Investor, of the Company at the earliest possible time. The Company and the Promoters also agree that it is their intention to facilitate an exit for the Investor and accordingly acknowledge that undertaking a Qualified IPO will provide liquidity for the Investor Securities held by the Investor, thereby constituting a means for an exit for the Investor. In view thereof, the Company shall, and the Promoters shall cause the Company to, complete a Qualified IPO within the First QIPO Window, the Second QIPO Window or the Extended Liquidity Window, in accordance with Applicable Law and all applicable guidelines and regulations issued by SEBI from time to time (“**SEBI Regulations**”). An IPO that does not fulfill the conditions for a Qualified IPO shall be considered a Qualified IPO only if the Investor has provided an Investor Consent to such an IPO, and upon the receipt of such Investor Consent, such IPO shall be deemed to be a Qualified IPO. The Promoters and the Company shall work towards undertaking a Qualified IPO, at a valuation which is not lower than an amount of INR 20,000,000,000 (Rupees twenty billion). The Parties agree that the obligations of the Company to undertake, and the obligations of the Promoter to procure that the Company undertakes, a Qualified IPO or an IPO acceptable to the Investor shall be valid and in force and effect for as long as the Investor holds such number of Investor Securities in the Company as is equivalent to Investor Threshold, notwithstanding any previous Transfer of Investor Securities by the Investor in any manner.
- (ii) The Promoters shall cause a Qualified IPO to be consummated by way of listing of the Equity Shares of the Company on one or more Recognized Stock Exchanges. It is clarified that an Investor Consent shall be required for any IPO, including a Qualified IPO, to be undertaken by the Company.

b) Offer for Sale.

- (i) Subject to applicable Law and unless otherwise agreed to by the Investor in writing, the Qualified IPO shall have an offer for sale component such that Investor shall have the right (but not the obligation) to offer, as a part of such offer for sale, all or a part of any Equity Shares held by the Investor, subject to the OFS Ceiling. In the event the Investor wishes to offer any Equity Shares held by it for sale in the Qualified IPO as provided herein, then the Promoters and the Company shall undertake all necessary steps to ensure that such Equity Shares are offered for sale in the Qualified IPO.
- (ii) In any offer for sale undertaken pursuant to a Qualified IPO, the Investor and its Affiliates shall have the first right to tender the Investor Securities held by them, subject to the OFS Ceiling. Any Equity Shares, in excess of the OFS Ceiling, held by the Investor and its Affiliates in the Company that the Investor is desirous of offering as part of an offer for sale pursuant to a Qualified IPO, may be offered by the approval of the IPO Committee
- (iii) The Promoters undertake that they shall offer such number of their Equity Shares for sale pursuant to the Qualified IPO as may be required to meet the minimum offer requirement under Law for listing of the Equity Shares of the Company in a Qualified IPO, if such minimum offer requirement is not fulfilled after taking into account the number of Equity Shares to be offered by the Investors for sale in accordance with Article 30 (b)(i) and Article 30 (b)(ii) above. Any interest earned by the Company on account of the proceeds of the Offer for Sale in respect of the Shares offered by the Investor shall be paid to the Investor in proportion to the Shares offered for sale.
- (iv) Subject to applicable Law, in the event of the Company pursuing a Qualified IPO in the international capital markets, the Investor shall be provided with the customary registration rights.

c) Mode of Qualified IPO.

- (i) The Parties agree that in any Qualified IPO such percentage of Equity Shares as recommended by the IPO Lead Advisor and acceptable to the Investor and the Promoter (“**Minimum IPO Fresh Issue Size**”) shall be from a fresh issuance of Equity Shares by the Company. The remainder shall be referred to as the “**Balance IPO Issue Size**”.
- (ii) The Parties further agree that the Balance IPO Issue Size may be met by an offer for sale by the Investor, in its sole discretion, of such number of Equity Shares held by the Investor (on a Fully Diluted Basis) as the Investor may determine in its sole discretion, subject to the OFS Ceiling.
- (iii) If, all of the Equity Shares (on a Fully Diluted Basis) then offered by the Investor (in accordance with Article 30 (c)(ii) above) are insufficient to constitute the Balance IPO Issue Size, the shortfall shall be met either (i) by offering additional new Equity Shares in the Qualified IPO, or (ii) through an offer for sale, by the Promoters or any member of the Promoter Group, of its Equity Shares or (iii) a combination of (i) and (ii), as may be suggested by the IPO Lead Advisor, and approved by an Investor Consent.

d) Qualified IPO Related Obligations.

- (i) In line with the objectives of the Parties as set out in Article 30 (a) above, the Promoters and the Company shall, in good faith and with due care and diligence, do all things necessary or advisable to conduct, facilitate, support and ensure the success of the Qualified IPO within the First QIPO Window, Second QIPO Window or the Extended Liquidity Window, as the case may be, in the manner set out in this Article 30.
- (ii) The Company shall, and the Promoters shall have caused the Company to constitute an IPO Committee. The IPO Committee shall be constituted by such number of Directors as the Board deems fit, provided that at least 1 (one) Investor Director and at least 1 (one) Promoter Director shall necessarily be the members of such committee ("**IPO Committee**"). The Promoters shall cause the Company and the Board to nominate the Investor Director to the IPO Committee at the time of establishment of the IPO Committee, which IPO Committee will have customary terms of reference.
- (iii) The Promoters and the Company shall, subject to confirmation thereof being provided by the IPO Committee, engage a reputed global merchant bank to conduct the Qualified IPO and act as the book running lead manager/one of the book running lead managers to the Qualified IPO ("**IPO Lead Advisor**"). Thereafter, the Qualified IPO shall be conducted in accordance with the advice of the IPO Lead Advisor and under its general supervision.
- (iv) The Board shall, at least 15 (fifteen) Business Days prior to the filing of the draft red herring prospectus in respect of the Qualified IPO with SEBI, agree upon the maximum number of Equity Shares into which the Investor CCDs shall convert based on the Adjusted Qualified Liquidity Event Valuation ("**CCD Conversion Number**"). The Investor shall, upon determination of the CCD Conversion Number and at any time prior to the filing of the draft red herring prospectus with SEBI, deliver to the Company a notice confirming (i) whether the Investor and/or its Affiliates intend to participate in an offer for sale in the Qualified IPO; and (ii) subject to the OFS Ceiling, the number of Equity Shares to be sold by it in such offer for sale, pursuant to Article 30 (b).
- (v) The IPO Committee shall at least 5 (five) Business Days prior to the filing of the red herring prospectus in respect of the Qualified IPO, determine a per Equity Share price ("**RHP Floor Price**"), which shall form the floor valuation above which Equity Shares may be issued or sold to the public in the Qualified IPO. The determination of the RHP Floor Price by the IPO Committee shall require an Investor Consent, if at such RHP Floor Price, the IPO does not become or ceases to be a Qualified IPO. Once the RHP Floor Price has been determined by the IPO Committee, with Investor Consent where required, no Equity Shares may be issued or sold in the Qualified IPO at a price which is lower than the RHP Floor Price, without a specific Investor Consent to such price. Any determination of a price band for the sale or issuance of shares in the Qualified IPO shall be determined such that the lowest end of the price band shall not be lower than the RHP Floor Price. The Investor Securities shall be converted at the latest date on which the Company is permitted to have outstanding convertible securities under applicable Law (unless there is a change in Law following the Effective Date, such conversion shall occur on the Business Day immediately preceding the date of filing of the red herring prospectus). The Investor Securities shall, on

such date, convert into such number of Equity Shares equal to New Investor Shares on Conversion. For purpose of this calculation, the Qualified Liquidity Event Valuation shall be an amount equal to the RHP Floor Price multiplied by the number of Equity Shares of the Company. Notwithstanding any Investor Consent that has been granted by the Investor in respect of a Qualified IPO, it is clarified that any change or alteration in any of the aspects of such Qualified IPO and including the determination of the RHP Floor Price, which would result in such IPO ceasing to be a Qualified IPO, then such IPO shall once again require an Investor Consent.

- (vi) Upon the Investor offering any Equity Shares for sale pursuant to the Qualified IPO, the Company and the Promoters hereby undertake that they shall comply with and complete all necessary formalities to ensure such listing and admission to trading on the Recognized Stock Exchanges of such Equity Shares (including those Equity Shares resulting from the conversion of the Investor Securities). In the event of any Qualified IPO, the Company and the Promoters shall ensure that all Equity Shares of the Company and Equity Securities (upon their conversion) are included in the Listing such that the Investor Securities (once converted) will, subject to applicable Law, be freely tradable by Investor immediately following the listing.
- (vii) The Promoters undertake to exercise their voting rights (at any Board Meeting or resolutions passed by the Board and/or any Committees and at any Shareholder Meeting or resolutions passed by the Shareholders), in order to ensure that the Company shall undertake a Qualified IPO in accordance with this Article 30. The Company and the Promoters shall, and hereby undertake that they shall, execute, do and take all such steps as may be in their respective powers to execute, do and take or procure to be executed, taken or done and to execute all such further documents, agreements and deeds and do all further acts, deeds, matters and things as may be required to undertake the Qualified IPO, to facilitate the Qualified IPO process and to do everything else necessary that is necessary or desirable or reasonably required by the Investor in order to achieve the Qualified IPO within the First QIPO Window, Second QIPO Window or the Extended Liquidity Window.
- (viii) The Promoters shall cause the Company to undertake the following actions:
  - 1) passing of all necessary resolutions by the Board, Shareholders, IPO Committee and all other Company filings to authorize, approve and support the Qualified IPO to ensure that the same is consummated before the IPO Completion Date and in respect of the actions and obligations set out in this Article 30;
  - 2) for purposes of due diligence, preparation of marketing material / documents and preparation of draft red herring prospectus, red herring prospectus and the prospectus, providing expeditious access to the personnel, properties and books and papers of the Company to the IPO Lead Advisor, other managers to the offer, investment bankers, the underwriters, the legal and financial advisors appointed for purposes of the Qualified IPO and/ or any other advisors or agents, and providing all necessary documents, information and disclosures (in an expeditious manner) to them;
  - 3) finalizing of the financial statements as required for the Qualified IPO and ensuring that the Company's auditors co-operate with the

IPO Lead Advisor, managers and other advisors to the offer and provide all required certifications and comfort letters in customary form;

- 4) satisfying the minimum promoter's contribution requirement for the Qualified IPO and contributing any Equity Shares required from the Promoter Group;
  - 5) satisfying any requirements for the provision of a safety net or other similar mechanism as required under applicable Law, SEBI Regulations or in accordance with the directions of SEBI;
  - 6) carrying out all necessary corporate actions that may be necessary or advisable under SEBI Regulations or any other applicable Law;
  - 7) complying with specific directions and/or advise that may be provided by the IPO Lead Advisor and/or other intermediaries to ensure that governance standards employed within the Company are compliant with governance standards expected under SEBI Regulations and/or under applicable Law. Specifically, the Promoters shall, and shall cause the Company to, mandatorily comply with such directions as may be issued by the IPO Committee, based on advice received from the IPO Lead Advisor or other intermediary;
  - 8) settling or resolving such legal or regulatory proceedings as may be advised by the IPO Lead Advisor as advisable for purposes of the Qualified IPO;
  - 9) ensuring that the Promoter Group has sufficient Equity Securities free and clear of all Security Interest (and excluding any Equity Shares required to satisfy the minimum promoters' contribution requirement for the Qualified IPO) to satisfy any lock-in requirements applicable to the Promoter Group pursuant to any applicable Law;
  - 10) ensuring that any Security Interests granted over any Equity Securities by the Promoter Group are released for the purposes of the Qualified IPO, if so advised by the managers to the offer or as may be required by the Recognized Stock Exchanges or under any applicable Law; and
  - 11) taking all necessary steps and actions to ensure that the Company is eligible and in a position to undertake and successfully complete a Qualified IPO on or before the IPO Completion Date, subject to appropriate market conditions prevailing.
- (ix) The Company agrees and undertakes that it shall, without any recourse to the Investor whatsoever, at its own cost (i) obtain all the relevant Government Approvals and other Consents that are necessary for the completion of the Qualified IPO, and (ii) complete the process of the Qualified IPO, in terms of these Articles. The Company and the Promoters shall ensure that the Qualified IPO complies with Applicable Law and listing requirements of the Recognized Stock Exchange(s) on which the Equity Shares of the Company are to be listed and admitted to trading pursuant to the Qualified IPO. The Company shall comply with all ongoing listing costs and requirements

including, inter alia, payment of all present and future costs relating to the listing and sponsorship, underwriting fees, listing fees, merchant bankers fees, bankers fees, brokerage, commission and any other costs that may be incurred due to the changes to the Applicable Law for the time being in force. It is clarified that wherever reasonable assistance of the Investor is required in connection with the offer for sale component of the Qualified IPO, then the Investor shall provide to the Promoter and / or the Company, such assistance, as in reasonable in the opinion of the Investor.

- e) Expenses. Subject to Law, all costs and expenses in relation to the Qualified IPO shall be borne by the Company, including without limitation all registration, filing and qualification fees and printers, legal, accounting, underwriting and bankers' fees and disbursements. To the extent permissible under applicable Law, the Company shall reimburse the Investor for any reasonable expenses incurred by the Investor in connection with or in relation to a Qualified IPO, provided that, the Company shall not be required to reimburse any costs incurred by the Investor that are directly attributable to any fees payable to the merchant bankers (including the IPO Lead Advisor) in connection with any offer for sale by the Investor in accordance with Article 30 (b).
- f) Warranties. The Promoters agree that the Investor shall not, upon listing or sale of the Equity Shares held by the Investor in a Qualified IPO, be required to give any warranties or indemnities to any underwriter, broker, recognized stock exchange, any Governmental Authority or any other Person except in relation to title to the Equity Shares proposed to be sold by the Investor in an offer for sale in the Qualified IPO pursuant to Article 30(b). The Company and the Promoter shall ensure that all documents relating to the Qualified IPO, including, without limitation, any prospectus and other submissions to the applicable regulatory authorities and governmental agencies are made available to the Investor (and counsel to the Investor) for its review and comment and shall consider in good faith and incorporate any comments received from the Investor prior to submission to such authorities and agencies.
- g) Investor Not a Promoter
  - (i) The Company and the Promoter agree that under no circumstances, unless otherwise prescribed under applicable Law, shall the Investor or any of its Affiliates be referred to or otherwise considered as a 'promoter' of the Company in connection with any Qualified IPO or any documents filed in connection therewith, or have any liability in relation to the Qualified IPO or any documents filed in connection therewith. Nothing in these Articles shall require the Investor or any of its Affiliates to do or omit to do anything that may result in any of them becoming a 'promoter', or being deemed to constitute a 'promoter' of the Company, or a part of the 'promoter group' in terms of SEBI Regulations. The Company and the Promoter agree not to classify or name the Investor or any of its Affiliates as a 'promoter' of the Company or a part of the 'promoter group'. Further, neither the Investor nor any of its Affiliates shall be required to provide any information in connection with any Qualified IPO other than in relation to the Equity Shares being offered for sale by the Investor or its Affiliates in the case of an offer for sale pursuant to a Qualified IPO, or the minimum information required to be provided by the Investor in its capacity as a Shareholder for inclusion into any prospectus or offer document to be issued by the Company in connection with the Qualified IPO.

- (ii) For the purpose of any such Qualified IPO, to the extent permissible under Law, the Promoters and the Company shall ensure that, and shall take all actions required to ensure that the Investor Securities held by the Investor shall not be subjected to a lock-in or other restriction on Transfer as applicable to promoter's contribution under applicable Law, the guidelines of SEBI, including the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 or of any other statutory or regulatory authority as applicable from time to time and are not, in any event, subject to any lock-in requirements as a 'promoter'.
  - (iii) Unless otherwise required under Law or by any Governmental Authority, the rights of the Investor under these Articles shall survive the completion of a Qualified IPO. In the event that any rights of the Investor are required to be deleted from these Articles, pursuant to the requirements of Applicable Law or any Governmental Authority, the Company and the Promoters shall procure that, (i) until the Qualified IPO is consummated, all rights of the Investor pursuant to these Articles would continue in force and would be given effect to in good faith and accordance with the terms of the Agreement and the Charter Documents, and (ii) all rights of the Investor shall be automatically reinstated in these Articles, in the event that the Qualified IPO does not occur by the expiry of the Extended Liquidity Window, or is delayed for any reason beyond a period of 30 (thirty) Business Days from the proposed date of the Qualified IPO as agreed between the Promoters and the Investor, Promoters undertake that they shall take all actions as may be required to give effect to the provisions of this Article 30 (g)(iii), including but not limited to exercising their votes in relation to the Securities owned by them, as may be required to give effect to the foregoing.
  - (iv) If the Qualified IPO does not occur by the expiry of the Extended Liquidity Window, or is delayed for any reason beyond a period of 30 (thirty) Business Days from the proposed date of the Qualified IPO as agreed between the Promoters and the Investor, the Promoters undertake that they shall take all actions as may be required to give effect to the reinstatement of all the rights herein in favour of the Investor as if such Qualified IPO did not transpire.
- h) Safety Net Arrangement. For the purpose of any Qualified IPO, to the extent permissible under Law and unless otherwise expressly directed by SEBI, the Promoters and the Company shall ensure that, and shall take all actions required to ensure that, the Investor shall not be required to provide a 'safety net' in respect of the Qualified IPO, or any offer for sale component of the Qualified IPO, including in respect of the Securities to be sold by the Investor in the Qualified IPO.
- i) Non-Completion Event.
  - (i) The Promoters agree that if a Qualified Liquidity Event has not been completed within the Extended Liquidity Window, then a "**Non-Completion Event**" shall be deemed to have occurred and the provisions of Article 32 and Article 33 shall apply. The Parties agree that a Non-Completion Event shall not be considered a material breach for the purposes of Article 34 (a), and that as a consequence of a Non-Completion Event, the Investor shall be entitled to exercise its rights under Article 32 and Article 33.
  - (ii) In the event that the Investor Securities have been converted in accordance with the terms hereof (i) after the filing of a draft red herring prospectus with SEBI but prior to the filing of a red herring prospectus, and the Qualified IPO

does not occur within a period of 30 (thirty) Business Days following the filing of the red herring prospectus with SEBI or (ii) as required under applicable Law, and the Qualified IPO does not occur (a) if such conversion has occurred within the First QIPO Window, and the Qualified IPO does not occur within the First QIPO Window, (b) if such conversion has occurred within the Second QIPO Window, and the Qualified IPO does not occur within the Second QIPO Window (a) if such conversion has occurred within the Extended Liquidity Window, and the Qualified IPO does not occur within the Extended Liquidity Window, the Parties shall agree upon and take all necessary actions to restore the rights and economic interest of the Investor as at immediately prior to the filing of the draft red herring prospectus, including by way of granting the Investor the right to (i) put all Equity Shares then held by the Investor to the Promoters and (ii) use any funds received from the Promoters for the Transfer of such Equity Shares to invest in compulsorily convertible debentures of the Company, such that the Investor holds the same number of compulsorily convertible debentures of the Company as held by it immediately prior to the conversion of such compulsorily convertible debentures. It is clarified that the terms and conditions attached to such compulsorily convertible debentures shall not be more favourable to the Investor than the terms and conditions attached to the Investor CCDs as under the Agreement.

### 31. QUALIFIED SECONDARY SALE

- (a) If the Promoters fail to cause the Company to complete a Qualified IPO within the First QIPO Window and the Second QIPO Window, then the Promoters shall cause, within the Extended QIPO Window, the occurrence of either (i) a Qualified IPO; or (ii) a Qualified Secondary Sale. In the event of a Qualified IPO, such Qualified IPO shall be completed in accordance with the provisions of Article 30. In the event that the Promoters are unable to cause the Company to undertake an IPO within the First QIPO Window, Second QIPO Window or the Extended Liquidity Window for the reasons set out in Article 31 (e), then, the Promoters shall procure that a Qualified Secondary Sale be undertaken in accordance with the provisions of this Article 30.
- (b) In the event that the Promoters have not undertaken any actions required to be undertaken under Article 31 in order to enable the completion of a Qualified IPO within the Extended Liquidity Window, then the Promoters shall, at least 1 (one) month prior to the expiry of the Extended Liquidity Window, deliver or cause to be delivered to the Investor, a written notice for the Qualified Secondary Sale ("**Qualified Secondary Sale Notice**"), which Qualified Secondary Sale Notice shall contain a genuine, binding and irrevocable offer from an Unrelated Investor to acquire the Investor Sale Securities as set out in this Article 31 (b) and shall specify:
  - (i) the Qualified Liquidity Event Valuation on the basis of which the securities shall get acquired, (ii) Percentage shareholding of the Company proposed to be acquired by the Unrelated Investor, which number shall not be lower than percentage shareholding held by the Investor and its Affiliates in the Company ("**Investor Sale Securities**"), provided that the Investor's percentage shareholding in the Company were equal to Subscription Consideration divided by Post-Money Equity Valuation; (iii) the terms of purchase of such Investor Sale Securities, including the total value of the consideration per Investor Sale Security to be received from the Unrelated Investor in connection with the proposed Qualified Secondary Sale ("**Qualified Secondary Sale Price**"); and (iii) the identity of the Unrelated Investor.
- (c) The Investor shall have the right, but not the obligation, to sell any or all of the Investor Sale Securities to the Unrelated Investor, which right shall be exercisable by

the delivery of a written notice by the Investor to the Promoters and the Unrelated Investor, which notice shall specify (i) the number of Investor Securities proposed to be sold by the Investor; and (ii) the aggregate Qualified Secondary Sale Price per Investor Sale Security multiplied by the number of Investor Sale Securities to be sold (“**Aggregate Qualified Secondary Sale Price**”). The Investor and its Affiliates will not be required to make any representations or warranties, or have any indemnification obligations, except other than in relation to the title of the Investor Sale Securities proposed to be sold to the Unrelated Investor pursuant to this Article 31.

- (d) A Qualified Secondary Sale shall be deemed to have been completed, only once the sale of the Investor Sale Securities by the Investor and/or its Affiliates to the Unrelated Investor is completed and upon receipt by the Investor and/or its Affiliates of the entire amount of the Aggregate Qualified Secondary Sale Price, in immediately available funds.
- (e) The Promoters and the Company undertake that the right of the Promoters to procure a Qualified Secondary Sale for the Investor shall only be exercised in the event that the Company is unable to undertake an IPO with a pre-money equity valuation in excess of INR 14,000,000,000 (Rupees fourteen billion).
- (f) In the event that the Investor does not, within a period of 15 (fifteen) Business Days from the receipt of a Qualified Secondary Sale Notice, notify the Company and such Unrelated Investor of the Investor’s intent to sell all of the Investor Sale Securities pursuant to the receipt of a Qualified Secondary Sale Notice, then (i) the rights of the Investor pursuant to Article 33 and Article 34(a)(i) shall automatically terminate and cease to have effect; and (ii) the Investor CCDs shall convert in accordance with the Conversion Ratio, where the “Qualified Liquidity Event Valuation” shall be the equity valuation ascribed to the Company by the Unrelated Investor for the purpose of the Qualified Secondary Sale. Such conversion shall take place in a manner such that the Post-Money Equity Valuation is subject to the Post-Money Entry Amount.

## 32. OTHER EXIT RIGHTS

If the Promoters fail to procure that (i) a Qualified IPO is undertaken and completed within the First QIPO Window or Second QIPO Window; and (ii) a Qualified IPO or Qualified Secondary Sale is undertaken and completed within the Extended Liquidity Window, then the Investor may by notice to the Company and the Promoters require the Promoter to provide the Investor with an exit option, in accordance with the terms of Article 33.

## 33. PROMOTER PUT OPTION AND QUALIFIED OFFER

- (a) In the event that a Qualified Liquidity Event has not occurred within the First QIPO Window, the Second QIPO Window or the Extended Liquidity Window, then the Investor shall have the right, exercisable in its sole discretion, to require the Promoters to purchase, at the Put Price, all of the Investor Securities then held by the Investor and its Affiliates in the Company (“**Promoter Put Option**”). Such Promoter Put Option shall be exercisable by the Investor by delivery of a written notice (“**Put Notice**”) to the Promoters, at any time after the expiry of the Extended Liquidity Window, which Put Notice shall specify the number of Investor Securities then held by the Investor and its Affiliates in the Company and all of which are to be transferred pursuant to the Promoter Put Option. The Promoter undertakes to acquire the Investor Securities for a consideration equal to Put Price within 6 (six) months of the Put Notice.

- (b) The Promoter shall, at any time following the expiry of 5 (five) years from the Completion Date, have the right to issue a written notice ("**Request to Put Notice**") to the Investor, requiring the Investor to issue the Put Notice. In the event that the Investor does not issue the Put Notice within a period of 15 (fifteen) Business Days from the receipt of the Request to Put Notice, then (i) the rights of the Investor pursuant to this Article 33 and Article 34 (a)(i) shall automatically terminate and cease to have effect; and (ii) the Investor CCDs shall convert in accordance with the Conversion Ratio, where the "Qualified Liquidity Event Valuation" shall be equal to the FMV. Such conversion shall take place in a manner such that the Post-Money Equity Valuation is subject to the Post-Money Entry Amount, and such that the maximum number of Equity Shares resulting from such conversion shall be such as is specified in the Agreement. The Promoter shall, within 15 (fifteen) Business Days from the receipt of the Put Notice, or from the issuance of the Request to Put Notice, in consultation and with an Investor Consent, appoint 2 (two) reputed investment bankers to determine the FMV of the Company in accordance with Schedule 7 of the Agreement.
- (c) Upon the determination of the FMV of the Company in accordance with **Schedule 7** of the Agreement, the Investor shall issue to the Promoters a written notice ("**Put Price Notice**") setting out the price at which the Investor Securities are required to be purchased from the Investor pursuant to the Promoter Put Option ("**Put Price**"), which Put Price shall be the higher of (i) the Instrument FMV; and (ii) the Subscription Consideration compounded at an IRR of 17% (seventeen percent) p.a. (seventeen per cent per annum) for the period between the Completion Date and the Put Honour Date, subject to the Put Amount Cap.
- (d) Subsequent to the receipt of the Put Notice, but prior to the determination of the FMV in accordance with Schedule 7 of the Agreement, the Promoters may elect to submit to the Investor a written notice ("**Offer to Honor Put**") containing a genuine, binding and irrevocable offer from a nominee of the Promoters to acquire all the Investor Securities, which shall specify: (i) the number and type of the Investor Securities proposed to be acquired by the Unrelated Investor, which number shall not be lower than all of the Investor Securities then held by the Investor and its Affiliates in the Company ("**Liquidity Event Securities**"); (ii) the identity of the Promoter nominee; and (iii) the valuation ascribed by such nominee to 100% (one hundred per cent) of the Equity Share Capital, on a Fully Diluted Basis ("**Liquidity Equity Valuation**").
- (e) Upon determination of the FMV, Investor shall determine if the Offer to Honor Put is a Qualified Offer based on the Liquidity Equity Valuation. In the event that the Investor accepts the Qualified Offer, then upon completion of the sale of the Investor Securities to such nominee of the Promoters and simultaneous receipt of the full consideration for such sale, the Promoter shall have no further obligation pursuant to this Article 33. In the event that the Promoters procure a genuine, binding and irrevocable Qualified Offer but the Investor rejects such offer, then the Investor shall be deemed to have waived its rights under Article 33, and the Promoters shall have no obligation to procure an exit for the Investor in accordance with Article 33.
- (f) In the event that the Promoter does not deliver, or cause the delivery of, a Qualified Offer to the Investor prior to the determination of the FMV, pursuant to Schedule 7, then the Promoters shall be deemed to have waived their right to elect to procure a Qualified Offer and shall be obligated to complete the purchase of the Investor Securities pursuant to the Promoter Put Option, which purchase shall be completed on a Business Day as may be mutually agreed to between the Promoters and the Investor, and which shall not be later than 6 (six) months from the date of the Put Notice. In the event that the Promoter has delivered, or caused the delivery of, a

Qualified Offer to the Investor, and if the Investor accepts such Qualified Offer as provided in Article 33 (e) and Article 33 (f), then (i) the Transfer of the Investor Securities to the Promoters' nominee pursuant to such Qualified Offer shall take place on a Business Day as may be mutually agreed to between the Promoters and the Investor, and which shall not be later than 6 (six) months from the date of the Put Notice; and (ii) the Investor shall be paid, simultaneously with the completion of such Transfer, the Instrument FMV Based on Qualified Offer by the Promoters' nominee, and an amount equal to the difference between the Put Price and the Instrument FMV Based on Qualified Offer by the Promoters, if the Instrument FMV in such case is lower than the Put Price.

Notwithstanding the foregoing, it is clarified that in the event that the offer pursuant to the Qualified Offer is accepted by the Investor but that the sale is not consummated and the Liquidity Event Price (and to the extent applicable, an amount equal to the difference between the Put Price and the Liquidity Event Price) is not received by the Investor in immediately available funds, the Promoters shall be obligated to complete the purchase of the Investor Securities pursuant to the Promoter Put Option, and the Investor shall continue to be entitled to all its rights under Article 33.

#### 34. EVENTS OF DEFAULT

- (a) Occurrence of any of the following events shall constitute an event of default:
  - (i) If no exit has been provided by the Promoter to the Investor in terms of Article 33 within a period of 6 (six) months from the receipt of the Put Notice and if an amount equivalent to the Put Price has not been paid to the Investor within 6 (six) months from the receipt of the Put Notice; or
  - (ii) The Promoter and/or the Company has committed a breach of (i) any of the terms of Clause 2.3 of the Agreement, Clause 5.1.5 of the Agreement, Article 27(b), Article 14, Article 21, Article 22, Article 28(c), Article 28(e), Article 46, Article 52, Clause 17.3.2 of the Agreement, Clause 17.4 of the Agreement (subject to the matters disclosed in the Disclosure Schedule or Updated Disclosure Schedule), Clause 17.5 of the Agreement, Clause 17.6 of the Agreement, Article 29, Article 32, Article 33, Article 34, Article 35, Clause 33.1 of the Agreement and the obligation to indemnify under Clause 27 of the Agreement and the representations and warranties under **Part A** of **Schedule 2** of the Agreement, or under paragraph 1 of **Part B** of **Schedule 2** of the Agreement (in each case, subject to the matters disclosed in the Disclosure Schedule or Updated Disclosure Schedule); or (iii) any Condition Precedent that was waived by the Investor, and required to be completed following the Completion, within the timelines stipulated in the written waiver granted by the Investor and as agreed to by the Promoters.
- (b) The Promoter shall, immediately upon becoming aware of any of the events of default mentioned under Article 34(a)(ii), issue to the Investor a written notice ("**Promoter Default Notice**") identifying such event of default as under Article 34(a)(ii) and undertaking to cure such event of default as identified in the Promoter Default Notice within the Cure Period.
- (c) In the event that the Investor becomes aware of the occurrence of any of the events of default mentioned under Article 34(a)(ii), then the Investor may upon becoming aware of such occurrence, issue a written notice to the Promoters ("**Investor Default Notice**") identifying such event of default as under Article 34(a)(ii) and requiring the Promoters to cure such event of default as identified in the Investor Default Notice

within the Cure Period.

- (d) Upon the occurrence of any of the events of default mentioned under Article 34(a)(i), or in the event that an Event of Default as specified under a Promoter Default Notice or an Investor Default Notice is not cured by the Promoters, to the satisfaction of the Investor, within the Cure Period, then the Investor shall be entitled to undertake one or more of the following actions:
  - (i) accelerate the First QIPO, Second QIPO Window or Extended Liquidity Window, such that a Qualified IPO is required to be undertaken prior to a date determined in the sole discretion of the Investor (“**Accelerated IPO Date**”) and all other rights of the Investor exercisable upon the expiry of the Extended Liquidity Window shall be deemed to be exercisable on and from the Accelerated IPO Date in the event that a Qualified Liquidity Event is not completed prior to the Accelerated IPO Date; and/or
  - (ii) freely Transfer any or all of the Investor Securities held by it and its Affiliates to any Person, including to any Competitor; and / or
  - (iii) Transfer the Investor Securities in terms of Article 34(f).
- (e) It is clarified that in the event that the Promoter Put Option is not honoured by the Promoters in accordance with Article 33 and if the Investor is required to exercise any other rights available to the Investor under these Articles, then the Promoter shall be obligated to ensure that the Investor shall be compensated for any incremental costs, including Taxes, which may be incurred by the Investor as a result of having to exercise such alternate rights, such that the Investor is compensated and receives not less than the same economic effect as the Investor would have received had the Promoter Put Option been honoured.
- (f) If the Investor exercises its rights pursuant to Article 34(a)(i) , then the Investor shall have the right, exercisable in its sole discretion, to solicit offers (“**Drag Exit Offers**”) for the purchase of all (and not part) of the Investor Securities, either alone, or in conjunction with any of the Securities owned by the Promoter Group. In the event that any Drag Exit Offer received for the acquisition of all the Investor Securities along with some or all of the Securities owned by the Promoter Group (“**Promoter Drag Securities**”) is acceptable to the Investors, then the Investors shall be entitled to require the Promoter Group to sell some or all the Promoter Drag Securities to the offeror (“**Drag Offeror**”) in the manner specified in Articles 34(f) to 34(o) (“**Drag Along Sale**”).
- (g) The Investor shall provide the Drag Exit Offer accepted by it to the Promoters and the Company within 15 (fifteen) Business Days of receipt of the same by the Investor. The Drag Exit Offer shall stipulate (i) the price per Promoter Drag Security to be paid in the proposed Drag Along Sale (“**Drag Along Sale Price**”), (ii) the name of the purchaser in the proposed Drag Along Sale, (iii) the proposed date of closing of the Transfer, subject to such extensions as may be intimated in writing by the Investors to the Promoter (“**Drag Along Completion Date**”), (iv) the number of Promoter Drag Securities required to be sold by the Promoter Group; and (iv) any other material terms and conditions of the Drag-Along Sale.
- (h) Upon the receipt by the Investor of a Drag Exit Offer, the Investor shall calculate “**Investor Drag Consideration**” which shall mean the higher of (i) the Investment Instrument Value, calculated in accordance with the Agreement, where for this purpose, the “Qualified Liquidity Event Valuation” shall mean the Drag Equity

Value; (ii) the amount equivalent to the Subscription Consideration compounded at Put Price IRR for the period between the Completion Date and the date on which the Drag Along Sale is proposed to be completed.

- (i) The aggregate price offered by the Drag Offeror pursuant to a Drag Exit Offer (“**Aggregate Drag Price**”) shall be placed in an escrow account, and thereafter paid to the Investor and the Promoters in the following manner:
  - (i) First, to the Investor, an amount equal to the Investor Drag Consideration; and
  - (ii) Then, to the Promoters, the remainder of any consideration agreed to be paid by the Drag Offeror pursuant to the Drag Exit Offer.
- (j) In the event that the Investor Drag Consideration exceeds the Aggregate Drag Price then (i) the entire Aggregate Drag Price shall be paid to the Investor, as per Article 34(i), by the Drag Offeror; and (ii) the Promoters shall be liable to pay to the Investor, an amount equal to the difference between the Investor Drag Consideration and the Aggregate Drag Price.
- (k) Each Promoter shall sell all the Promoter Drag Securities in the Drag Along Sale on the same terms and conditions as are applicable to the Investor, simultaneously with a Transfer of all the Investor Securities by the Investor, all of which transactions shall take place on the Drag Along Completion Date.
- (l) The Promoter Group shall cooperate in, and shall take all actions that the Investor deems reasonably necessary to complete, the Drag Along Sale, including voting their respective Securities (or executing and delivering any written Consents in lieu thereof) in favour of the Drag Along Sale and against any action or proposal that may prevent, hinder or impede the completion of the Drag Along Sale, procuring any Governmental Approvals or Consents necessary to complete the Drag Along Sale and not exercising any dissent or similar rights to which they may be entitled in connection with the Drag Along Sale.
- (m) The Promoter Group and the Company shall enter into definitive agreements as are customary for transactions of the nature of the proposed Drag Along Sale and the Promoter Group agrees to give or make customary warranties, representations, covenants and indemnities in connection with the Drag Along Sale, including relating to their title to the Promoter Drag Securities and capacity to sell the Promoter Drag Securities, the Company, Business and Project. The Investor shall only be required to provide representations and warranties relating to its title to the Investor Securities.
- (n) Each member of the Promoter Group shall, upon request, deliver to the Investor the certificate(s) and other instruments representing the Promoter Drag Securities of such Promoter, in proper form for transfer, together with an irrevocable power-of-attorney authorizing the Investor to execute the share transfer form or instruction slips (if applicable) on behalf of the Promoters in connection with such Drag-Along Sale in accordance with the provisions of this Article 34.
- (o) In connection with any Drag Along Sale the Promoters and the Company shall: (i) cooperate with the Investor and the proposed purchaser and their respective advisors, to facilitate and effect any Drag Along Sale; (ii) execute a reasonably satisfactory confidentiality agreement with the purchaser, (iii) use, and cause their employees and personnel to use, its and their reasonable efforts to facilitate and support any due diligence process; and (iv) cooperate in obtaining all Governmental Approvals and

Consents reasonably necessary to consummate such Drag Along Sale.

35. LIQUIDATION PREFERENCE

- (a) Subject to Law and until the completion of an IPO of the Company, in the event of (i) any liquidation, dissolution or winding up of the Company, either voluntary or involuntary, (ii) any form of corporate reorganization in which the Shareholders of the Company do not own a majority of the outstanding equity shares of the surviving entity, or (iii) any sale of all or substantially all of the Assets of the Company (any such event, a “**Liquidation**”, the events enumerated in (ii) and (iii) herein also being referred to as “**Deemed Liquidation**”), the total proceeds from such Liquidation remaining after discharging or making provision for discharging the liabilities of the Company, shall be distributed:
  - (i) First to the Investor, an amount which would result in the Investor receiving an aggregate amount equivalent to the Subscription Consideration compounded at an IRR of 25% p.a. (twenty five per cent) for the period between the Completion Date and the date of completion of the distributions, plus all declared but unpaid dividends (“**Liquidation Preference Amount**”);
  - (ii) Second, to the Promoters and other Shareholders of the Company, their Pro Rata Share, in proportion to their *inter se* percentage of shareholding in the Company, until they have collectively received an amount equal to the amount that the Investor receives pursuant to the immediately preceding Article 35(a)(i), on a per Equity Share basis (on a Fully Diluted Basis); and
  - (iii) To the extent that there are assets available for distribution after payment of the Liquidation Preference Amount to the Investor and the amounts to the Promoters and other Shareholders pursuant to Article 35 (a)(i) and Article 35(a)(ii), above, all Shareholders will share pro rata, on a Fully Diluted Basis, assuming a full conversion of the Investor CCDs, in the distribution of such remaining Assets.
- (b) In the event that Article 35(a), hereinabove, is not, for any reason, applicable, the following shall be applicable:
- (c) In the event of Deemed Liquidation if the allocation of the proceeds among the Investor and the Promoters in the manner set forth above in Article 35(b), conflicts with any applicable Law, the Company shall, before the Deemed Liquidation, issue to the Investor, at par value, such number of Equity Shares as shall cause the distribution to the Investor, pursuant to the Deemed Liquidation, to be in such amounts as such Investor would have received had the allocation in accordance with Article 35(a) been permitted.
- (d) The Investor shall also have the right to seek conversion of the Investor Securities to a different class of shares (enabling the Investor to have preferential access to cash-flows of the Company in the event of a Liquidation or Deemed Liquidation) to the extent that such equity structures are permitted under applicable Law. Other than as required by Law, this action shall not require any consent of other Shareholders of the Company.

36. COPIES OF MEMORANDUM AND ARTICLES TO BE SENT TO MEMBERS

Copies of the Memorandum and Articles of Association of the Company and other documents referred to in Section 17 of the Act shall be sent by the Company to every Shareholder at his request within 7 (seven) days of the request on payment of such sum as prescribed under the Companies (Incorporation) Rules, 2014.

37. BORROWING POWERS

(a) Subject to the provisions of Sections 73, 179 and 180 and other applicable provisions of the Act and these Articles, the Board may, from time to time, at its discretion by resolution passed at the meeting of a Board:

- (i) accept or renew deposits from Directors, their relatives, Shareholders or the public;
- (ii) borrow money otherwise than on Debentures;
- (iii) accept deposits from Shareholders either in advance of calls or otherwise; and
- (iv) generally raise or borrow or secure the payment of any sum or sums of money for the purposes of the Company.

Provided, however, that where the money to be borrowed together with the money already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the Paid-up capital of the Company and its free reserves (not being reserves set apart for any specific purpose), the Board shall not borrow such money without the consent of the Company by way of a Special Resolution in General Meeting.

Provided further that the approval of holders of Equity Shares taken in terms of the provisions of Section 293 (1) (d) of the Companies Act, 1956 vide the resolution passed in the General Meeting dated February 21, 2012 shall remain valid till September 11, 2014 in case the limits specified under the said resolution are not exhausted till the aforesaid date.

- (b) Subject to the provisions of these Articles, the payment or repayment of money borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the resolution of the Board shall prescribe including by the issue of bonds, perpetual or redeemable Debentures or debenture-stock, or any mortgage, charge, hypothecation, pledge, lien or other security on the undertaking of the whole or any part of the property of the Company, both present and future. Provided however that the Board shall not, except with the consent of the Company in General Meeting mortgage, charge or otherwise encumber, the Company's uncalled Capital for the time being or any part thereof and Debentures and other Securities may be assignable free from any equities between the Company and the Person to whom the same may be issued.
- (c) Any bonds, Debentures, debenture-stock or other Securities may if permissible in law be issued at a discount, premium or otherwise by the Company and shall with the consent of the Board be issued upon such terms and conditions and in such manner and for such consideration as the Board shall consider to be for the benefit of the Company, and on the condition that they or any part of them may be convertible into Shares of any denomination, and with any privileges and conditions as to the redemption, surrender, allotment of shares, appointment of Directors or otherwise.

Provided that Debentures with rights to allotment of or conversion into Shares shall not be issued except with, the sanction of the Company in General Meeting accorded by a Special Resolution.

- (d) Subject to the provisions of the Act and these Articles, if any uncalled Capital of the Company is included in or charged by any mortgage or other security, the Board shall make calls on the Shareholders in respect of such uncalled Capital in trust for the Person in whose favour such mortgage or security is executed, or if permitted by the Act, may by instrument under seal authorize the Person in whose favour such mortgage or security is executed or any other Person in trust for him to make calls on the Shareholders in respect of such uncalled Capital and the provisions hereinafter contained in regard to calls shall mutatis mutandis apply to calls made under such authority and such authority may be made exercisable either conditionally or unconditionally or either presently or contingently and either to the exclusion of the Board's power or otherwise and shall be assignable if expressed so to be.
- (e) 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 the Act in that behalf to be duly complied with within the time prescribed under the Act, or such extensions thereof as may be permitted under the Act, as the case may be, so far as they are required to be complied with by the Board.
- (f) The Company shall, if at any time it issues Debentures, keep a Register and Index (if applicable) 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-holders resident in that State or Country.
- (g) Any capital required by the Company for its working capital and other capital funding requirements may be obtained in such form as decided by the Board from time to time.

### 38. SHARE WARRANTS

- (a) The Company may issue share warrants subject to, and in accordance with, the provisions of Sections 114 and 115 of Companies Act, 1956; and accordingly the Board may in its discretion, with respect to any Share which is fully Paid-up, on application in writing signed by the Persons registered as holder of the Share, and authenticated by such evidence (if any) as the Board may, from time to time, require as to the identity of the Person signing the application, and on receiving the certificate (if any) of the Share, and the amount of the stamp duty on the warrant and such fee as the Board may from time to time require, issue a share warrant.
- (b)
  - (i) The bearer of a share warrant may at any time deposit the warrant at the Office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the Company, and of attending, and voting and exercising the other privileges of a Shareholder at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the Register of Shareholders as the holder of the Share included in the deposited warrant.
  - (ii) Not more than one person shall be recognised as depositor of the share warrant.
  - (iii) The Company shall, on two days' written notice, return the deposited share

warrant to the depositor.

- (c) (i) Subject as herein otherwise expressly provided, no person shall, as bearer of a share warrant, sign a requisition for calling a meeting of the Company, or attend, or vote or exercise any other privileges of a Shareholder at a meeting of the Company, or be entitled to receive any notices from the Company.
- (ii) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Shareholders as the holder of the Shares included in the warrant, and he shall be a Shareholder of the Company.
- (d) The Board may, from time to time, make rules as to the terms on which (if it shall think fit) a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.

39. CONVERSION OF SHARES INTO STOCK AND RECONVERSION

- (a) The Company in General Meeting may convert any Paid-up Shares into stock and when any Shares shall have been converted into stock, the several holders of such stock may henceforth transfer their respective interest therein, or any part of such interests, in the same manner and subject to the same regulations as those subject to which Shares from which the stock arose might have been transferred, if no such conversion had taken place or as near thereto as circumstances will admit. The Company may at any time reconvert any stock into Paid-up shares of any denomination.
- (b) The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards Dividends, voting at meetings of the Company, and other matters, as if they held the Shares from which the stock arose, but no such privileges or advantages, (except participation in the Dividends and profits of the Company and in the assets on winding-up), shall be conferred by an amount of stock which would not, if existing in Shares, have conferred that privilege or advantage.

40. MANAGEMENT OF COMPANY'S AFFAIRS

Subject to the applicable provisions of the Act and these Articles, the entire management of the Company's affairs including all decisions and resolutions shall be entrusted by the Shareholders of the Company to its Board. All matters arising at a meeting of the Board, other than those otherwise specified in these Articles if any shall be decided by a majority vote, subject to any casting vote of the Chairman in the event of a tie.

41. ANNUAL GENERAL MEETING

In accordance with the provisions of the Act, the Company shall in each year hold a General Meeting specified as its Annual General Meeting and shall specify the meeting as such in the notices convening such meetings. Further, not more than 15 (fifteen) months gap shall exist between the date of one Annual General Meeting and the date of the next. All General Meetings other than Annual General Meetings shall be an Extraordinary General Meetings.

42. WHEN ANNUAL GENERAL MEETING TO BE HELD

Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of Section 96 (1) of the Act to extend the time within

which any Annual General Meeting may be held.

43. VENUE, DAY AND TIME FOR HOLDING ANNUAL GENERAL MEETING

- (a) Every Annual General Meeting shall be called for during business hours that is, between 9 A.M. and 6 P.M., on a day that is not a national holiday, and shall be held at the Office of the Company or at some other place within the city, town or village in which the Office of the Company is situate, as the Board may determine and the notices calling the Meeting shall specify it as the Annual General Meeting.
- (b) Every Shareholder shall be entitled to attend the Annual General Meeting either in person or by proxy and the Auditor of the Company shall have the right to attend and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor. At every Annual General Meeting of the Company there shall be laid on the table, the Directors' Report and Audited Statement of Accounts, Auditors' Report, (if not already incorporated in the Audited Statement of Accounts), the proxy Register with proxies and the Register of Directors' shareholdings which latter Register shall remain open and accessible during the continuance of the Meeting. The Board shall cause to be prepared the Annual Return and forward the same to the concerned Registrar of Companies, in accordance with Sections 92 and 137 of the Act. The Directors are also entitled to attend the Annual General Meeting.

44. NOTICE OF GENERAL MEETINGS

- (a) Number of days notice of General Meeting to be given: A General Meeting of the Company may be called by giving not less than 21 (twenty one) days clear notice in writing or in electronic mode, excluding the day on which notice is served or deemed to be served (i.e., on expiry of 48 (forty eight) hours after the letter containing the same is posted). However, a General Meeting may be called after giving shorter notice if consent is given in writing or by electronic mode by not less than 95 (ninety five) percent of the holders of Equity Shares entitled to vote at that meeting.

The notice of every meeting shall be given to:

- (a) every Shareholder, legal representative of any deceased Shareholder or the assignee of an insolvent member of the Company,
  - (b) Auditor or Auditors of the Company, and
  - (c) all Directors.
- (b) Notice of meeting to specify place, etc., and to contain statement of business: Notice of every meeting of the Company shall specify the place, date, day and hour of the meeting, and shall contain a statement of the business to be transacted thereat, shall be given in the manner prescribed under Section 102 of the Act.
  - (c) Contents and manner of service of notice and Persons on whom it is to be served: Every notice may be served by the Company on any Shareholder thereof either personally or by sending it by post to their/its registered address in India and if there be no registered address in India, to the address supplied by the Shareholder to the Company for giving the notice to the Shareholder.
  - (d) Special Business: Subject to the provisions of the Act, where any items of business to be transacted at the meeting are deemed to be special, there shall be annexed to the

notice of the meeting a statement setting out all material facts concerning each item of business including any particular nature of the concern or interest if any therein of every Director or manager (as defined under the provisions of the Act), if any or key managerial personnel (as defined under the provisions of the Act) or the relatives of any of the aforesaid and where any item of special business relates to or affects any other company, the extent of shareholding interest in that other company of every Director or manager (as defined under the provisions of the Act), if any or key managerial personnel (as defined under the provisions of the Act) or the relatives of any of the aforesaid of the first mentioned company shall also be set out in the statement if the extent of such interest is not less than 2 per cent of the paid up share capital of that other company. All business transacted at any meeting of the Company shall be deemed to be special and all business transacted at the Annual General Meeting of the Company with the exception of the business specified in Section 102 of the Act shall be deemed to be special.

- (e) Resolution requiring Special Notice: With regard to resolutions in respect of which special notice is required to be given by the Act, a special notice shall be given as required by Section 115 of the Act.
- (f) Notice of adjourned meeting when necessary: When a meeting is adjourned for 30 (thirty) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
- (g) Notice when not necessary: 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.
- (h) The notice of the General Meeting shall comply with the provisions of Companies (Management and Administration) Rules, 2014.

#### 45. REQUISITION OF EXTRAORDINARY GENERAL MEETING

- (a) The Board may, whenever it thinks fit, call an Extraordinary General Meeting and it shall do so upon a requisition received from such number of Shareholders who hold, on the date of receipt of the requisition, not less than one-tenth of such of the Paid-up Share Capital of the Company as on that date carries the right of voting has been made, and such meeting shall be held at the Office or at such place and at such time as the Board thinks fit.
- (b) Any valid requisition so made by Shareholders must state the object or objects of the meeting proposed to be called, and must be signed by the requisitionists and be deposited at the Office; provided that such requisition may consist of several documents in like form each signed by one or more requisitionists.
- (c) Upon the receipt of any such valid requisition, the Board shall forthwith call an Extraordinary General Meeting and if they do not proceed within 21 (twenty-one) days from the date of the requisition being deposited at the Office to cause a meeting to be called on a day not later than 45 (forty-five) days from the date of deposit of the requisition, the requisitionists or such of their number as represent either a majority in value of the Paid-up Share Capital held by all of them or not less than one-tenth of such of the Paid-up Share Capital of the Company as is referred to in Section 100 of the Act, whichever is less, may themselves call the meeting, but in either case any meeting so called shall be held within 3 (three) months from the date of the delivery of the requisition as aforesaid.

- (d) Any meeting called under the foregoing sub-articles by the requisitionists, shall be called in the same manner, as nearly as possible, as that in which a meeting is to be called by the Board.
- (e) The accidental omission to give any such notice as aforesaid to any of the Shareholders, or the non-receipt thereof, shall not invalidate any resolution passed at any such meeting.
- (f) No General Meeting, Annual or Extraordinary, shall be competent to enter into, discuss or transact any business which has not been mentioned in the notice or notices by which it was convened.
- (g) The Extraordinary General Meeting called under this article shall be subject to and in accordance with the provisions contained under the Companies (Management and Administration) Rules, 2014.

46. **NO BUSINESS TO BE TRANSACTED IN GENERAL MEETING IF QUORUM IS NOT PRESENT**

The quorum for the Shareholders' Meeting shall be in accordance with Section 103 of the Act, provided that the presence of 1 (one) authorized representative of the Investor and 1 (one) authorized representative of the Promoter will be required in order to constitute a quorum for any Shareholders' Meeting relating to the consideration of a Reserved Matter, or in which any discussions in relation to a Reserved Matter are proposed to be conducted. The presence of at least 1 (one) authorized representative of the Promoter shall be required to constitute a quorum for any other Shareholders' Meeting. The Investor shall have the right to, at its sole discretion, waive the requirement for the presence of an authorized representative of the Investor under this Article 45. The Promoters shall have the right to, in their sole discretion, waive the requirement for the presence of an authorized representative of the Promoter to constitute quorum under this Article 45.

47. **ADJOURNED MEETING**

Subject to the provisions of Section 103 of the Act, if such a quorum is not present within half an hour from the time set for the Shareholders' Meeting, the Shareholders' Meeting shall be adjourned to the same time and place or to such other date and such other time and place as the Board may determine and the agenda for the adjourned Shareholders' Meeting shall remain the same. If at such adjourned meeting also, 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 a quorum, and may transact the business for which the meeting was called.

If a Shareholders' Meeting is adjourned for want of quorum, the Shareholders present at the adjourned Shareholders' Meeting convened in accordance with this Article 46 shall, subject to the provisions of applicable Law and without prejudice to the rights of the Investor under Article 51 constitute a valid quorum for the Shareholders' Meeting. For the avoidance of doubt it is clarified that no discussion shall take place or be passed in respect of a Reserved Matter if the Company has not received Investor Consent specifically approving such Reserved Matter in the manner set out in Article 51.

48. **CHAIRMAN OF THE GENERAL MEETING**

The Chairman of the Board shall be entitled to take the Chair at every General Meeting, whether Annual or Extraordinary. If there be no such Chairman of the Board or if at any meeting he shall not be present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the Chair, then the Directors present shall elect

one of them as Chairman. If no Director be present or if all the Directors present decline to take the Chair, then the Shareholders present shall elect one of their number to be the Chairman of the meeting. No business shall be discussed at any General Meeting except the election of a Chairman while the Chair is vacant.

49. CHAIRMAN CAN ADJOURN THE GENERAL MEETING

The Chairman may, with the consent given in the meeting at which a quorum is present (and if so directed by the meeting) adjourn the General Meeting from time to time and from place to place within the city, town or village in which the Office of the Company is situate but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

50. QUESTIONS AT GENERAL MEETING HOW DECIDED

- (a) At any General Meeting, a resolution put to the vote of the General Meeting shall, unless a poll is demanded, be decided by a show of hands. Before or on the declaration of the result of the voting on any resolution by a show of hands, a poll may be carried out in accordance with the applicable provisions of the Act or the voting is carried out electronically. Unless a poll is demanded, by the Chairman that a resolution has, on a show of hands, been carried or carried unanimously, or by a particular majority, or lost and an entry to that effect in the Minute Book of the Company shall be conclusive evidence of the fact, of passing such resolution or otherwise.
- (b) In the case of equal votes, the Chairman shall both on a show of hands and at a poll, (if any), have a casting vote in addition to the vote or votes to which he may be entitled as a Shareholder.
- (c) If a poll is demanded as aforesaid, the same shall subject to anything stated in these Articles be taken at such time, (not later than 48 (forty-eight) hours from the time when the demand was made), and place within the city, town or village in which the Office is situate and either by a show of hands or by ballot or by postal ballot, as the Chairman shall direct and either at once or after an interval or adjournment, or otherwise and the result of the poll shall be deemed to be the decision of the meeting at which the poll was demanded. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll. The demand for a poll may be withdrawn at any time by the Person or Persons who made the demand.
- (d) Where a poll is to be taken, the Chairman of the meeting shall appoint two scrutineers to scrutinise the votes given on the poll and to report thereon to him. One of the scrutineers so appointed shall always be a Shareholder, (not being an officer or employee of the Company), present at the meeting provided such a Shareholder 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 scrutineer from office and fill vacancies in the office of scrutineer arising from such removal or from any other cause.
- (e) Any poll duly demanded on the election of a Chairman of a meeting or any question of adjournment, shall be taken at the meeting forthwith. A poll demanded on any other question shall be taken at such time not later than 48 hours from the time of demand, as the Chairman of the meeting directs.
- (f) The demand for a poll except on the question of the election of the Chairman and of

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

- (g) No report of the proceedings of any General Meeting of the Company shall be circulated or advertised at the expense of the Company unless it includes the matters required by these Articles or Section 118 of the Act to be contained in the Minutes of the proceedings of such meeting.
- (h) The Shareholders will do nothing to prevent the taking of any action by the Company or act contrary to or with the intent to evade or defeat the terms as contained in these Articles.

## 51. **PASSING RESOLUTIONS BY POSTAL BALLOT**

- (a) Notwithstanding any of the provisions of these Articles, the Company may, and in the case of resolutions relating to such business as notified under the Companies (Management and Administration) Rules, 2014, as amended, or other Law required to be passed by postal ballot, shall get any resolution passed by means of a postal ballot, instead of transacting the business in the General Meeting of the Company. Also, the Company may, in respect of any item of business other than ordinary business and any business in respect of which Directors or Auditors have a right to be heard at any meeting, transact the same by way of postal ballot.
- (b) Where the Company decides to pass any resolution by resorting to postal ballot, it shall follow the procedures as prescribed under Section 110 of the Act and the Companies (Management and Administration) Rules, 2014, as amended from time.

## 52. **VOTES OF MEMBERS**

- (a) No Shareholder shall be entitled to vote either personally or by proxy at any General Meeting or meeting of a class of Shareholders either upon a show of hands or upon a poll in respect of any Shares registered in his name on which calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised any right of lien.
- (b) No member shall be entitled to vote at a General Meeting unless all calls or other sums presently payable by him have been paid, or in regard to which the Company has lien and has exercised any right of lien.
- (c) Subject to the provisions of these Articles, without prejudice to any special privilege or restrictions as to voting for the time being attached to any class of shares for the time being forming a part of the Capital of the Company, every Shareholder not disqualified by the last preceding Article, shall be entitled to be present, and to speak and vote at such meeting, and on a show of hands, every Shareholder present in person shall have one vote and upon a poll, the voting right of such Shareholder present, either in person or by proxy, shall be in proportion to his share of the Paid Up Share Capital of the Company held alone or jointly with any other Person or Persons.

Provided however, if any Shareholder holding preference shares be present at any Meeting of the Company, save as provided in Section 47(2) of the Act, he shall have a right to vote only on resolutions placed before the meeting, which directly affect the rights attached to his preference shares.

- (d) On a poll taken at a meeting of the Company, a Shareholder entitled to more than one vote, or his proxy, or any other Person entitled to vote for him (as the case may be),

need not, if he votes, use or cast all his votes in the same way.

- (e) A Shareholder 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, through a committee or through his legal guardian; and any such committee or guardian may, on a poll vote by proxy. If any Shareholder be a minor his vote in respect of his Share(s) shall be exercised by his guardian(s), who may be selected (in case of dispute) by the Chairman of the meeting.
- (f) If there be joint registered holders of any shares, any one of such Persons may vote at any meeting or may appoint another Person, (whether a Shareholder or not) as his proxy in respect of such Shares, as if he were solely entitled thereto; but the proxy so appointed shall not have any right to speak at the meeting and if more than one of such joint-holders be present at any meeting, then one of the said Persons so present whose name stands higher in the Register of Shareholders shall alone be entitled to speak and to vote in respect of such Shares, but the other joint- holders shall be entitled to be present at the meeting. Several Executors or Administrators of a deceased Shareholder in whose name Shares stand shall for the purpose of these Articles be deemed joint-holders thereof.
- (g) Subject to the provision of these Articles, votes may be given personally or by an attorney or by proxy. A body corporate, whether or not a Company within the meaning of the Act, being a Shareholder may vote either by a proxy or 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 right to vote by proxy), on behalf of the body corporate which he represents as that body could have exercised if it were an individual Shareholder.
- (h) Any Person entitled to transfer any Shares of the Company may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such Shares, provided that 48 (forty-eight) hours at least before the time of holding the meeting or adjourned meeting as the case may be at which he proposes to vote, he shall satisfy the Board of his right to such Shares and give such indemnity (if any) as the Board may require unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.
- (i) Every proxy, (whether a Shareholder or not), shall be appointed in writing under the hand of the appointer or his attorney, or if such appointer is a corporation under the Common Seal of such corporation or be signed by an officer or an attorney duly authorised by it, and any committee or guardian may appoint proxy. The proxy so appointed shall not have any right to speak at a meeting.
- (j) An instrument of proxy may appoint a proxy either for (i) the purposes of a particular meeting (as specified in the instrument) or (ii) for any adjournment thereof or (iii) it may appoint a proxy for the purposes of every meeting of the Company, or (iv) of every meeting to be held before a date specified in the instrument for every adjournment of any such meeting.
- (k) A Shareholder present by proxy shall be entitled to vote only on a poll.
- (l) An instrument appointing a proxy and a power of attorney or other authority (including by way of a Board Resolution, (if any),) under which it is signed or a notorially certified copy of that power or authority or resolution as the case may be, shall be deposited at the Office not later than 48 (forty-eight) hours before the time for holding the meeting at which the Person named in the instrument proposes to vote

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 12 (twelve) months from the date of its execution. An attorney shall not be entitled to vote unless the power of attorney or other instrument or resolution as the case may be appointing him or a notarially certified copy thereof has either been registered in the records of the Company at any time not less than 48 (forty-eight) hours before the time for holding the meeting at which the attorney proposes to vote, or is deposited at the Office of the Company not less than 48 (forty-eight) hours before the time fixed for such meeting as aforesaid. Notwithstanding that a power of attorney or other authority has been registered in the records of the Company, the Company may, by notice in writing addressed to the Shareholder or the attorney, given at least 48 (forty-eight) hours before the meeting, require him to produce the original power of attorney or authority or resolution as the case may be and unless the same is deposited with the Company not less than 48 (forty-eight) hours before the time fixed for the meeting, the attorney shall not be entitled to vote at such meeting unless the Board in their absolute discretion excuse such non-production and deposit.

- (m) Every instrument of proxy whether for a specified meeting or otherwise should, as far as circumstances admit, be in any of the forms set out in the Companies (Management and Administration) Rules, 2014.
- (n) If any such instrument of appointment be confined to the object of appointing an attorney or proxy for voting at meetings of the Company it shall remain permanently or for such time as the Directors may determine in the custody of the Company; if embracing other objects a copy thereof, examined with the original, shall be delivered to the Company to remain in the custody of the Company.
- (o) A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the principal, or revocation of the proxy or of any power of attorney under which such proxy was signed, or the transfer of the Share in respect of which the vote is given, provided that no intimation in writing of the death, revocation or transfer shall have been received at the Office before the meeting.
- (p) No objection shall be made to the validity of any vote, except at the meeting or poll at which such vote shall be tendered, and every vote whether given personally or by proxy, not disallowed at such meeting or poll shall be deemed valid for all purposes of such meeting or poll whatsoever.
- (q) The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be in the sole judge of the validity of every vote tendered at such poll.
  - (i) The Company shall cause minutes of all proceedings of every General Meeting to be kept by making within 30 (thirty) days of the conclusion of every such meeting concerned, entries thereof in books kept for that purpose with their pages consecutively numbered.
  - (ii) Each page of every such book shall be initialed or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the same meeting within the aforesaid period of 30 (thirty) days or in the event of the death or inability of that Chairman within that period, by a Director duly authorised by the Board for that purpose.
  - (iii) In no case the minutes of proceedings of a meeting shall be attached to any

such book as aforesaid by pasting or otherwise.

- (iv) The Minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.
- (v) All appointments of Directors of the Company made at any meeting aforesaid shall be included in the minutes of the meeting.
- (vi) Nothing herein contained shall require or be deemed to require the inclusion in any such minutes of any matter which in the opinion of the Chairman of the meeting (i) is or could reasonably be regarded as, defamatory of any person, or (ii) is irrelevant or immaterial to the proceedings, or (iii) is detrimental to the interests of the Company. The Chairman of the Meeting shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the aforesaid grounds.
- (vii) Any such minutes shall be evidence of the proceedings recorded therein.
- (viii) The book containing the Minutes of proceedings of General Meetings shall be kept at the Office of the Company and shall be open, during business hours, for such periods not being less in the aggregate than 2 (two) hours in each day as the Board determines, for the inspection of any Shareholder without charge.
- (ix) The Company shall cause minutes to be duly entered in books provided for the purpose of: -
  - a) the names of the Directors and Alternate Directors present at each General Meeting; and
  - b) all Resolutions and proceedings of General Meeting.
- (q) The Shareholders shall vote (whether in person or by proxy) all of the Shares owned or held on record by them at any Annual or Extraordinary General Meeting of the Company called for the purpose of filling positions to the Board , appointed as a Director of the Company under Section 164(1) of the Act in accordance with these Articles.
- (r) The Shareholders will do nothing to prevent the taking of any action by the Company or act contrary to or with the intent to evade or defeat the terms as contained in these Articles.
- (s) All matters arising at a General Meeting of the Company, other than as specified in the Act, or these Articles, if any, shall be decided by a majority vote.
- (t) The Shareholders shall exercise their voting rights as shareholders of the Company to ensure that the Act or these Articles are implemented and acted upon by the Shareholders, and by the Company and to prevent the taking of any action by the Company or by any Shareholder , which is contrary to or with a view or intention to evade or defeat the terms as contained in these Articles.
- (u) Any corporation which is a Shareholder of the Company may, by resolution of the Board or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of the Company and the said person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he

represents as that corporation could have exercised if it were an individual Shareholder in the Company (including the right to vote by proxy).

- (v) The Company shall also provide e-voting facility to the Shareholders of the Company in terms of the provisions of the Companies (Management and Administration) Rules, 2014 or any other Law, if applicable to the Company.

### 53. RESERVED MATTERS

- (a) The Company and its Promoters, the Promoter Group, the Board of Directors, Key Officers, Committees, Committee members, employees, agents or any of their respective delegates shall not and the Promoters shall procure that none of the Company nor any of its Promoters, Promoter Group Directors, Key Officers, Committees, Committee members, employees, agents or any of their respective delegates shall, without an Investor Consent obtained in accordance with this Article 53, take or resolve to take or commit to any of the actions set forth in Article 52(e) (“**Reserved Matters**”), whether by circular resolution or otherwise.
- (b) The agenda for any Board Meeting or Shareholders’ Meeting at which such Reserved Matter is proposed to be discussed (“**Subject Meeting**”) shall specify in reasonable detail the action in relation to which consent is being sought (“**Proposed Action**”) and necessary background and other information and/or supporting documents pertaining to such action, and the Company shall provide a copy of such notice, agenda and supporting documents to the Investor. In the event that an Investor Consent has not been obtained prior to the date of the Subject Meeting or if at least 1 (one) Investor Director (in the case of a Board Meeting) or 1 (one) authorized representative of the Investor (in the case of a Shareholders’ Meeting) is not present at the Subject Meeting, then the matter shall not be discussed at the Subject Meeting, and the Proposed Action shall not be undertaken. Any Proposed Action may only be taken upon the receipt of an Investor Consent in respect of the Proposed Action.
- (c) Without prejudice to the foregoing, the Company shall procure that any actions taken or resolutions passed or commitments made in breach of this Article 53 shall be void *ab initio*, and all such actions, resolutions and commitments shall be unwound or terminated as soon as practicable.
- (d) The provisions of this Article 53 shall apply mutatis mutandis in any Subsidiary of the Company as may be established from time to time.
- (e) The following actions in respect of the Companies and all the Subsidiaries of the Company shall constitute Reserved Matters and all references to the Company in this Article shall be deemed to include references to all Subsidiaries of the Company:
  - (i) Acquisition of, investment in, or divestment of shares or assets of other businesses, companies, corporations, creation of joint ventures, Subsidiaries, partnerships, consortiums, mergers, de-mergers, consolidations or other corporate restructuring;
  - (ii) Any investment in any business, activities or projects other than the Project and including any utilization of any Promoter Funding or other contributions made by the Promoter for any business, activities or projects other than the Project, and any actions proposed to be taken by the Company with regard to any business or activities other than the Project, commencement of or investment in any new line of business unrelated to the Core Activities or the Non-Core Activities, any investment or trading activities including in relation

to derivative transactions (other than foreign currency hedges in the Ordinary Course of Business);

- (iii) Capital expenditure including acquisition of assets, construction or lease in excess of INR 50,000,000 (Rupees fifty million) per annum except as approved in the Business Plan or budget, where any deviation to the Business Plan is a reserved matter if the specific deviation by itself or on a cumulative basis is greater than INR 50,000,000 (Rupees fifty million);
- (iv) Any agreements, of any value, between the Company and any Related Party, entering into, termination of, or modification of or amendment to any transaction, agreements or arrangements between the Company and any Related Party;
- (v) Amendments or any proposal to amend the Amended Charter Documents.
- (vi) Commencement or settlement of litigation where the amount involved is above INR 10,000,000 (Rupees ten million) in any particular Financial Year;
- (vii) Changes to material accounting or tax policies or practices, appointment or removal of or any change to the internal or statutory auditors of the Company;
- (viii) Recommend giving or renewing of any Security Interest by the Company (except for any Security Interest already in existence and disclosed to the Investor as on the date hereof) for the guarantee of debts or obligations of any Person, unless such Security Interest is (i) to a Governmental Authority in the Ordinary Course of Business, and (ii) for an amount that does not exceed INR 50,000,000 (Rupees fifty million) on an individual or a cumulative basis;
- (ix) Declaration or distribution of any dividend;
- (x) Creating of any Security Interest over or Transfer of (including by sale, lease, transfer, license) any substantial part of any assets or undertaking of the Company or its Affiliates unless such action is (i) in the Ordinary Course of Business, and (ii) over assets or undertakings valued at an amount not exceeding INR 5,000,000 (Rupees five million) on an individual or cumulative basis;
- (xi) Any conversion into the Equity Share Capital, and/or any payment or repayment, in full or part, of any Promoter Funding;
- (xii) Winding up or liquidation of the Company or its Affiliates;
- (xiii) Appointment of any independent Directors to the Board;
- (xiv) Any agreement, arrangement, transaction, license, assignment or other Transfer of (including creation of a Security Interest over) any intellectual property rights by the Company including those relating to copyrights, trademarks, patents and designs;
- (xv) The appointment or removal and determination of the terms of employment of the management or other senior executive employees such as chief technical officer or chief financial officer and any significant changes in the terms of their employment agreements, adoption of or any changes to any

management incentive scheme;

- (xvi) Save and except as specifically identified in the Business Plan, entry into, amendment or termination of any agreement or commitment that imposes or is likely to impose obligations on the Company or its Affiliates to pay, or any liability on the Company or its Affiliates of, an amount of INR 20,000,000 (Rupees twenty million) or more in a single transaction or INR 50,000,000 (Rupees fifty million) on a cumulative basis;
- (xvii) Any increase in the issued, subscribed or paid up Equity Share Capital of the Company, or re-organization of the Equity Share Capital of the Company, other than as expressly required under the Agreement or other than pursuant to a Qualified IPO undertaken in accordance with the terms of the Agreement, including new issue of Shares or other securities of the Company or any preferential issue of Shares or redemption of any shares, issuance of non-convertible debentures or warrants, or grant of any options over its Shares by the Company, or the alteration of any rights or terms of issue of any Shares or Share Equivalents issued by the Company, or any Transfer of Securities;
- (xviii) Approval of or any modification to any employee stock option plan or scheme for issuance of stock options, sweat equity shares to any Person;
- (xix) Adoption or amendment of the annual operating budget, Business Plan and accounting policy of the Company (including any change in the Company's policies regarding foreign exchange loss or gain) or the creation or incurrence of any Indebtedness (including lines of credit) not contemplated in the annual operating budget of the Company; and
- (xx) Any commitment or agreement to do any of the foregoing, or any delegation of any authority to do any of the foregoing.

For the avoidance of doubt, it is clarified that all financial limits mentioned in this Article are indicated on an aggregate basis across the Company and all Subsidiaries.

#### 54. DIRECTORS

- (a) The First Directors of the Company are:
  - (i) Manmohan Ramanna Shetty;
  - (ii) Aarti Manmohan Shetty; and
  - (iii) Kapil Vishnuprasad Bagla.
- (b) Company Directors. The Investor shall have the right to nominate to the Board of Directors such number of Directors as is proportionate to its shareholding in the Company calculated on a Fully Diluted Basis, subject to a minimum of 2 (two) Directors each of whose office shall not be capable of being vacated by retirement or by rotation, and the Investor shall further have the right to appoint at least 1 (one) director to the Board of Directors of each Subsidiary of the Company (collectively, the “**Investor Directors**”). The Promoter shall have a right to appoint a maximum of 6 (six) Directors (“**Promoter Directors**”). The Board of Directors shall consist of a maximum of 10 (ten) directors (“**Maximum Number of Directors**”), including the

Investor Directors. The Promoter shall ensure that within 18 (eighteen) months from the Completion Date, at least 2 (two) independent directors are appointed to the Board of Directors.

- (c) Observer. The Investor shall have the right to appoint an observer to the Board of Directors, which observer shall be a full time employee of ICICI Venture and subject to confidentiality obligations imposed on him / her by ICICI Venture, who shall be entitled to attend all Board Meetings and meetings of Committees and to receive copies of all agenda and other papers circulated to the Directors, but shall not be entitled to exercise a vote at any Board Meetings or any meetings of the Committees.
- (d) Alternate Director. The Investor shall also be entitled to nominate an alternate Director to each of the Investor Directors in accordance with the Act and such alternate Director shall be entitled to receive all notices, attend all Board Meetings and exercise all voting rights of the respective Investor Directors when such Investor Director is not in attendance.
- (e) Removal and Replacement. Investor Directors may only be removed from the Board and the Committees to which the Investor Directors are appointed by the Investor in its sole and absolute discretion. In the event that an Investor Director resigns or the office of an Investor Director becomes vacant for any reason, the Investor will have the right to nominate such Director's successor or replacement.
- (f) Effecting Investor Decisions. In order to effect any decision regarding appointment, replacement and/or removal of the Investor Director(s), the Investor may issue a written notice to the Company specifying its decision and providing, in the case of an appointment or replacement, the name and DIN of the nominee ("**Investor Director Notice**"). The Company and the Promoters shall procure that such appointment, replacement and/or removal is effected, including the filings of appropriate forms with the ROC, as soon as practicable after receipt of the Investor Director Notice.
- (g) Non-Executive Director. The Investor Directors shall be non-executive Directors, who shall have no responsibility for the day-to-day management of the Company and shall not be liable for any failure by the Company to comply with applicable Law or be construed as an "officer in default" (under the Act) or an "occupier" (of the Company's premises) under applicable Law.
- (h) Notice. Any Director or the Investor (for as long as the Investor holds such number of Securities as is equivalent to the Investor Threshold) shall be entitled to call a Board Meeting, provided that, at least 7 (seven) Business Days written notice shall be given to each Director and the Investor (for as long as the Investor holds such number of Securities as is equivalent to the Investor Threshold) of any Board Meeting. Any notice shall include an agenda identifying in reasonable detail the matters to be discussed at the meeting together with copies of any relevant papers to be discussed at the meeting.
- (i) The Board shall have an optimum combination of executive and Independent Directors with at least 1 (one) woman Director, as may be prescribed by Law from time to time.

## 55. CHAIRMAN OF THE BOARD OF DIRECTORS

- (a) The members of the Board shall elect any one of them as the Chairman of the Board. The Chairman shall preside at all meetings of the Board and the General Meeting of the Company. The Chairman shall have a casting vote in the event of a tie.

- (b) If for any reason the Chairman is not present at the meeting or is unwilling to act as Chairman, the members of the Board shall appoint any one of the remaining Directors as the Chairman.

56. APPOINTMENT OF ALTERNATE DIRECTORS

Subject to Section 161 of the Act, any Director shall be entitled to nominate an alternate director to act for him during his absence for a period of not less than 3 (three) months. The Board may appoint such a person as an Alternate Director to act for a Director (hereinafter called the “**Original Director**”) (subject to such person being acceptable to the Chairman) during the Original Director’s absence for a period of not less than three months from the State in which the meetings of the Board are ordinarily held. An Alternate Director appointed under this Article shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to the State. If the term of the office of the Original Director is determined before he so returns to the State, any provisions in the Act or in these Articles for automatic re-appointment shall apply to the Original Director and not to the Alternate Director.

57. CASUAL VACANCY AND ADDITIONAL DIRECTORS

Subject to the applicable provisions of the Act and these Articles, the Board shall have the power at any time and from time to time to appoint any qualified Person to be a Director either as an addition to the Board or to fill a casual vacancy but so that the total number of Directors shall not at any time exceed the maximum number fixed under Article 53. Any Person so appointed as an addition shall hold office only up to the earlier date of the next Annual General Meeting or the last date on which the Annual General Meeting should have been held but shall be eligible for appointment by the Company as a Director at that meeting subject to the applicable provisions of the Act.

58. DEBENTURE DIRECTORS

If it is provided by a trust deed, securing or otherwise, in connection with any issue of Debentures of the Company, that any Person/ Lender or Persons/ lenders shall have power to nominate a Director of the Company, then in the case of any and every such issue of Debentures, the Person/ lender or Persons/ lenders having such power may exercise such power from time to time and appoint a Director accordingly. Any Director so appointed is herein referred to a Debenture Director. A Debenture Director may be removed from office at any time by the Person/ lender or Persons/ lenders in whom for the time being is vested the power under which he was appointed and another Director may be appointed in his place. A Debenture Director shall not be bound to hold any qualification shares and shall not be liable to retire by rotation or be removed by the Company. The trust deed may contain ancillary provisions as may be arranged between the Company and the trustees and all such provisions shall have effect notwithstanding any other provisions contained herein.

59. INDEPENDENT DIRECTORS

The Company shall have such number of Independent Directors on the Board of the Company, as may be required in terms of the provisions of Section 149 of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 or any other Law, as may be applicable. Further, such appointment of such Independent Directors shall be in terms of the aforesaid provisions of Law and subject to the requirements prescribed under Clause 49 of the listing agreement.

60. EQUAL POWER TO DIRECTOR

Except as otherwise provided in these Articles, all the Directors of the Company shall have in all matters, equal rights and privileges and shall be subject to equal obligations and duties in respect of the affairs of the Company.

61. NOMINEE DIRECTORS

Whenever the Board enter into a contract with any lenders for borrowing any money or for providing any guarantee or security or for technical collaboration or assistance or enter into any other arrangement, the Board shall have, subject to the provisions of Section 152 of the Act, the power to agree that such lenders shall have the right to appoint or nominate by a notice in writing addressed to the Company one or more Directors on the Board for such period and upon such conditions as may be mentioned in the common loan agreement/ facility agreement. The nominee director representing lenders shall not be required to hold qualification shares and not be liable to retire by rotation. The Directors may also agree that any such Director, or Directors may be removed from time to time by the lenders entitled to appoint or nominate them and such lenders may appoint another or other or others in his or their place and also fill in any vacancy which may occur as a result of any such Director, or Directors ceasing to hold that office for any reason whatever. The nominee director shall hold office only so long as any monies remain owed by the Company to such lenders.

The nominee director shall be entitled to all the rights and privileges of other Directors including the sitting fees and expenses as payable to other Directors but, if any other fees, commission, monies or remuneration in any form are payable to the Directors, the fees, commission, monies and remuneration in relation to such nominee director shall accrue to the lenders and the same shall accordingly be paid by the Company directly to the lenders.

Provided that if any such nominee director is an officer of any of the lenders, the sittings fees in relation to such nominee director shall also accrue to the lenders concerned and the same shall accordingly be paid by the Company directly to that lenders.

Any expenditure that may be incurred by the lenders or the nominee director in connection with the appointment or directorship shall be borne by the Company.

The nominee director so appointed shall be a member of the project management sub-committee, audit sub-committee and other sub-committees of the Board, if so desired by the lenders.

The nominee director shall be entitled to receive all notices, agenda, etc. and to attend all general meetings and Board meetings and meetings of any committee(s) of the Board of which he is a member and to receive all notices, agenda and minutes, etc. of the said meeting.

If at any time, the nominee director is not able to attend a meeting of Board or any of its committees, of which he is a member, the lenders may depute an observer to attend the meeting. The expenses incurred by the lenders in this connection shall be borne by the Company.

62. NO QUALIFICATION SHARES FOR DIRECTORS

A Director shall not be required to hold any qualification Shares.

63. REMUNERATION OF DIRECTORS

- (a) Subject to the applicable provisions of the Act, the Rules, Law including the provisions of the listing agreement, a Managing Director or Managing Directors, and any other Director/s who is/are in the whole time employment of the Company may

be paid remuneration either by a way of monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other, subject to the limits prescribed under the Act.

- (b) Subject to the applicable provisions of the Act, a Director (other than a Managing Director or an executive Director) may receive a sitting fee not exceeding such sum as may be prescribed by the Act or the central government from time to time for each meeting of the Board or any Committee thereof attended by him.
- (c) The remuneration payable to each Director for every meeting of the Board or Committee of the Board attended by them shall be such sum as may be determined by the Board from time to time within the maximum limits prescribed from time to time by the central Government pursuant to the first proviso to Section 197 of the Act.
- (d) All fees / compensation to be paid to non-executive Directors including Independent Directors shall be as fixed by the Board and shall require the prior approval of the Shareholders in a General meeting. Such approval shall also specify the limits for the maximum number of stock options that can be granted to a non-executive Director, in any financial year, and in aggregate. However, such prior approval of the Shareholders shall not be required in relation to the payment of sitting fees to non-executive Directors if the same is made within the prescribed limits under the Act for payment of sitting fees with approval of central government. Notwithstanding anything contained in this Article, the Independent Directors shall not be eligible to receive any stock options.

64. SPECIAL REMUNERATION FOR EXTRA SERVICES RENDERED BY A DIRECTOR

If any Director be called upon to perform extra services or special exertions or efforts (which expression shall include work done by a Director as a member of any Committee formed by the Directors), the Board may arrange with such Director for such special remuneration for such extra services or special exertions or efforts either by a fixed sum or otherwise as may be determined by the Board. Such remuneration may either be in addition to or in substitution for his remuneration otherwise provided, subject to the applicable provisions of the Act.

65. TRAVEL EXPENSES OF DIRECTORS

The Board may allow and pay to any Director, who is not a bona fide resident of the place where the meetings of the Board/Committee meetings are ordinarily held; and who shall come to such place for the purpose of attending any meeting, such sum as the Board may consider fair compensation for travelling, lodging and/ or other expenses, in addition to his fee for attending such Board/Committee meetings as above specified; and if any Director be called upon to go or reside out of his ordinary place of his residence on the Company's business, he shall be entitled to be repaid and reimbursed travelling and other expenses incurred in connection with the business of the Company in accordance with the provisions of the Act.

66. CONTINUING DIRECTORS

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 Article 53 hereof, the continuing Directors not being less than two may act for the purpose of increasing the number of Directors to that number, or for summoning a General Meeting, but for no other purpose.

67. VACATION OF OFFICE BY DIRECTOR

- (a) Subject to the relevant provisions of Sections 167 and 188 of the Act, the office of a Director, shall *ipso facto* be vacated if:
- (i) he is found to be of unsound mind by a court of competent jurisdiction; or
  - (ii) he applies to be adjudicated an insolvent; or
  - (iii) he is adjudged an insolvent; or
  - (iv) he is convicted by a court of any offence involving moral turpitude and is sentenced in respect thereof to imprisonment for not less than 6 (six) months; or
  - (v) he fails to pay any calls made on him in respect of Shares of the Company held by him whether alone or jointly with others, within 6 (six) months from the date fixed for the payment of such call, unless the central government has by notification in the Official Gazette removed the disqualification incurred by such failure; or
  - (vi) he absents himself from 3 (three) consecutive meetings of the Board or from all meetings of the Board for a continuous period of 3 (three) months, whichever is longer, without obtaining leave of absence from the Board; or
  - (vii) he, (whether by himself or by any Person for his benefit or on his account), or any firm in which he is a partner, or any private company of which he is a director, accepts a loan, or any guarantee or security for a loan, from the Company, in contravention of Section 185 of the Act; or
  - (viii) having been appointed a Director by virtue of his holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company; or
  - (ix) he acts in contravention of Section 184 of the Act; or
  - (x) he becomes disqualified by an order of the court under Section 203 of the Companies Act, 1956; or
  - (xi) he is removed in pursuance of Section 169 of the Act; or
  - (xii) he is disqualified under Section 164 (2) of the Act.

Subject to the applicable provisions of the Act, a Director may resign his office at any time by notice in writing addressed to the Board and such resignation shall become effective upon its acceptance by the Board.

## 68. RELATED PARTY TRANSACTIONS

- (a) Except with the consent of the Board or the Shareholders, as may be required in terms of the provisions of section 188 of the Companies Act, 2013 and the Companies (Meetings of Board and its Powers) Rules, 2014, no company shall enter into any contract or arrangement with a 'related party' with respect to:
- i. sale, purchase or supply of any goods or materials;
  - ii. selling or otherwise disposing of, or buying, property of any kind;

- iii. leasing of property of any kind;
- iv. availing or rendering of any services;
- v. appointment of any agent for purchase or sale of goods, materials, services or property;
- vi. such Director's or its relative's appointment to any office or place of profit in the company, its subsidiary company or associate company; and
- vii. underwriting the subscription of any securities or derivatives thereof, of the company;

without the consent of the holders of Equity Shares by way of a Special Resolution in accordance with Section 188 of the Act.

- (b) no Shareholder of the Company shall vote on such Special Resolution, to approve any contract or arrangement which may be entered into by the Company, if such Shareholder is a related party.
- (c) nothing in this Article shall apply to any transactions entered into by the Company in its ordinary course of business other than transactions which are not on an arm's length basis.
- (d) The Director, so contracting or being so interested shall not be liable to the Company for any profit realised by any such contract or the fiduciary relation thereby established.
- (e) The terms "office of profit" and "arm's length basis" shall have the meaning ascribed to them under Section 188 of the Act.
- (f) The term 'related party' shall have the same meaning as ascribed to it under the Companies Act, 2013.
- (g) The compliance of the Companies (Meetings of Board and its Powers) Rules, 2014 shall be made for the aforesaid contracts and arrangements.

## 69. DISCLOSURE OF INTEREST

- (a) A Director of the Company who is in any way, whether directly or indirectly concerned or interested in a contract or arrangement, or proposed contract or arrangement entered into or to be entered into by or on behalf of the Company, shall disclose the nature of his concern or interest at a meeting of the Board in the manner provided in Section 184 of the Act; Provided that it shall not be necessary for a Director to disclose his concern or interest in any such contract or arrangement entered into or to be entered into with any other company where any of the Directors of the company or two or more of them together holds or hold not more than 2% (two per cent) of the Paid-up Share Capital in the other company or the Company as the case may be. A general notice given to the Board by the Director, to the effect that he is a director or member of a specified body corporate or is a member of a specified firm and is to be regarded as concerned or interested in any contract or arrangement which may, after the date of the notice, be entered into with that body corporate or firm, shall be deemed to be a sufficient disclosure of concern or interest in relation to any contract or arrangement so made. Any such general notice shall expire at the end of the Financial Year in which it is given but may be renewed for a further period of

one Financial Year at a time by a fresh notice given in the last month of the Financial Year in which it would have otherwise expired. No such general notice, and no renewal thereof shall be of effect unless, either it is given at a meeting of the Board or the Director concerned takes reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given.

- (b) No Director shall as a Director, take any part in the discussion of, vote on any contract or arrangement entered into or to be entered into by or on behalf of the Company, if he is in any way, whether directly or indirectly, concerned or interested in such contract or arrangements; nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote; and if he does vote, his vote shall be void; provided however that nothing herein contained shall apply to:-
  - (i) any contract or indemnity against any loss which the Directors, or any one or more of them, may suffer by reason of becoming or being sureties or a surety for the Company;
  - (ii) any contract or arrangement entered into or to be entered into with a public company or a private company which is subsidiary of a public company in which the interest of the Director consists solely,
    - 1. in his being –
      - I. a director of such company, and
      - II. the holder of not more than shares of such number or value therein as is requisite to qualify him for appointment as a Director thereof, he having been nominated as such Director by this Company, or
    - 2. in his being a member holding not more than 2 (two per cent) of its Paid-up Share Capital.

Subject to the provisions of Section 188 of the Act and other applicable provisions, if any, of the Act, any Director of the Company, any partner or relative of such Director, any firm in which such Director or a relative of such Director is a partner, any private company of which such Director is a director or member, and any director or manager of such private company, may hold any office or place of profit in the Company.

- (c) The Company shall keep a Register in accordance with Section 189 of the Act and shall within the time specified therein shall enter therein such of the particulars as may be. The Register aforesaid shall also specify, in relation to each Director of the Company, the names of the bodies corporate and firms of which notice has been given by him under Article 68(a). The Register shall be kept at the Office of the Company and shall be open to inspection at such Office, and extracts may be taken therefrom and copies thereof may be required by any Shareholder of the Company to the same extent, in the same manner, and on payment of the same fee as in the case of the Register of Shareholders of the Company and the provisions of Section 94 of the Act shall apply accordingly.
- (d) A Director may be or become a Director of any Company promoted by the Company, or on which it may be interested as a vendor, shareholder, or otherwise, and no such Director shall be accountable for any benefits received as director or shareholder of such Company except in so far as Section 188 or Section 197 of the Act, as may be

applicable.

70. ONE-THIRD OF DIRECTORS TO RETIRE EVERY YEAR

At the Annual General Meeting of the Company to be held in every year, one third of such of the Directors as are liable to retire by rotation for time being, or, if their number is not three or a multiple of three then the number nearest to one third shall retire from office, and they will be eligible for re-election. Provided nevertheless that the managing Director or whole-time Director(s), appointed or the Directors appointed as a Debenture Director under Articles hereto shall not retire by rotation under this Article nor shall they be included in calculating the total number of Directors of whom one third shall retire from office under this Article.

71. PROCEDURE, IF PLACE OF RETIRING DIRECTORS IS NOT FILLED UP

- (a) If the place of the retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a national holiday, till the next succeeding day which is not a national holiday, at the same time and place.
- (b) If at the adjourned meeting also, the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been reappointed at the adjourned meeting, unless:-
  - (i) at that meeting or at the previous meeting a resolution for the reappointment of such Director has been put to the meeting and lost;
  - (ii) retiring Director has, by a notice in writing addressed to the Company or its Board, expressed his unwillingness to be so reappointed;
  - (iii) he is not qualified or is disqualified for appointment;
  - (iv) a resolution whether special or ordinary is required for the appointment or reappointment by virtue of any provisions of the Act.

72. COMPANY MAY INCREASE OR REDUCE THE NUMBER OF DIRECTORS.

Subject to Article 53 and Section 149 and 152 of the Act, the Company may, by Ordinary Resolution, from time to time, increase or reduce the number of Directors, and may alter their qualifications and the Company may, (subject to the provisions of Section 169 of the Act), remove any Director before the expiration of his period of office and appoint another qualified in his stead. The person so appointed shall hold office during such time as the Director in whose place he is appointed would have held the same if he had not been removed.

73. REGISTER OF DIRECTORS ETC.

- (a) The Company shall keep at its Office, a Register containing the particulars of its Directors, Managing Directors, Manager, Secretaries and other Persons mentioned in Section 170 of the Act, and shall otherwise comply with the provisions of the said Section in all respects.
- (b) The Company shall in respect of each of its Directors also keep at its Office a Register, as required by Section 170 of the Act, and shall otherwise duly comply with the provisions of the said Section in all respects.

74. DISCLOSURE BY DIRECTOR OF APPOINTMENT TO ANY OTHER BODY CORPORATE.

Every Director shall in accordance with the provisions of Companies (Meeting of Board and its Powers) Rules, 2014 shall disclose his concern or interest in any company or companies or bodies corporate (including shareholding interest), firms or other association of individuals by giving a notice in accordance with such rules

75. MANAGING DIRECTOR(S)/ WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S)/ MANAGER

Subject to the provisions of Section 203 of the Act and of these Articles, the Board shall have the power to appoint from time to time any full time employee of the Company as Managing Director/ whole time director or executive director or manager of the Company. The Managing Director(s) or the whole time Director(s) Manager or Executive Director(s), as the case may be, so appointed, shall be responsible for and in charge of the day to day management and affairs of the Company and subject to the applicable provisions of the Act and these Articles, the Board shall vest in such managing director/s or the whole time Director(s) or manager or executive Director(s), as the case may be, all the powers vested in the Board generally. The remuneration of a Managing Director/ whole time Director or executive Director or manager may be by way of monthly payment, fee for each meeting or participation in profits, or by any or all those modes or any other mode not expressly prohibited by the Act.

76. PROVISIONS TO WHICH MANAGING DIRECTOR(S)/ WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S)/ MANAGER ARE SUBJECT

Notwithstanding anything contained herein, a Managing Director(s)/ whole time Director(s) / executive Director(s)/ Manager shall subject to the provisions of any contract between him and the Company be subject to the same provisions as to resignation and removal as the other Directors of the Company, and if he ceases to hold the office of a Director he shall ipso facto and immediately cease to be a Managing Director(s)/ whole time Director(s) /executive Director(s)/ Manager, and if he ceases to hold the office of a Managing Director(s)/ whole time Director(s) / executive Director(s)/ manager he shall ipso facto and immediately cease to be a Director.

77. REMUNERATION OF MANAGING DIRECTOR(S)/ WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S)/ MANAGER

The remuneration of the Managing Director(s)/ whole time Director(s) / executive Director(s)/ manager shall (subject to Sections 196, 197 and 203and other applicable provisions of the Act and of these Articles and of any contract between him and the Company) be fixed by the Directors, from time to time and may be by way of fixed salary and/or perquisites or commission or profits of the Company or by participation in such profits, or by any or all these modes or any other mode not expressly prohibited by the Act.

78. POWER AND DUTIES OF MANAGING DIRECTOR(S)/ WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S)/ MANAGER

Subject to the superintendence, control and direction of the Board, the day-to-day management of the Company shall be in the hands of the Managing Director(s)/ whole time Director(s) / executive Director(s)/ Manager s in the manner as deemed fit by the Board and subject to the provisions of the Act, and these Articles, the Board may by resolution vest any such Managing Director(s)/ whole time Director(s) / executive Director(s)/ Manager with 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 the provisions of the Act, and these Articles confer such power either collaterally with or to the exclusion of or in substitution for all or any of the Directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any of such powers.

**79. POWER TO BE EXERCISED BY THE BOARD ONLY BY MEETING**

The Board shall exercise the following powers on behalf of the Company and the said powers shall be exercised only by resolutions passed at the meeting of the Board: -

- (a) to make calls on Shareholders in respect of money unpaid on their shares;
- (b) to authorise buy-back of securities under Section 68 of the Act;
- (c) to issue securities, including debentures, whether in or outside India;
- (d) to borrow money(ies);
- (e) to invest the funds of the Company;
- (f) to grant loans or give guarantee or provide security in respect of loans;
- (g) to approve financial statements and the Board's report;
- (h) to diversify the business of the Company;
- (i) to approve amalgamation, merger or reconstruction;
- (j) to take over a company or acquire a controlling or substantial stake in another company; and
- (k) fees/ compensation payable to non-executive directors including independent directors of the Company;
- (l) any other matter which may be prescribed under the Companies (Meetings of Board and its Powers) Rules, 2014.

The Board may, by a resolution passed at a meeting, delegate to any Committee of Directors, the Managing Director, or to any person permitted by Law the powers specified in sub clauses (d) to (f) above.

The aforesaid powers shall be exercised in accordance with the provisions of the Companies (Meetings of Board and its Powers) Rules, 2014 and shall be subject to the provisions of section 180 of the Act. In terms of Section 180 of the Act, the Board may exercise the following powers subject to receipt of consent by the Company by way of a Special Resolution:

- (a) to sell, lease or otherwise dispose of the whole or substantial part of the undertaking of the Company;
- (b) to borrow money; and
- (c) any such other matter as may be prescribed under the Act, the listing agreement and other applicable provisions of Law.

**80. MAKING LIABILITY OF DIRECTORS UNLIMITED**

The Company may, by Special Resolution in a General Meeting, alter its Memorandum of Association so as to render unlimited the liability of its Directors or of any Director or manager, in accordance with Section 323 of the Companies Act, 1956.

81. PROCEEDINGS OF THE BOARD OF DIRECTORS

- (a) Board Meetings shall be held at least once in every 3 (three) month period and there shall be at least 4 (four) Board Meetings in any calendar year; and there should not be a gap of more than 120 (one hundred and twenty) days between two consecutive Board Meetings. Meetings shall be held in Mumbai, or such a place as may be mutually agreed between the Promoters and the Investor.
- (b) The participation of Directors in a meeting of the Board may be either in person or through video conferencing or other audio visual means, as may be prescribed, which are capable of recording and recognising the participation of the Directors and of recording and storing the proceedings of such meetings along with date and time. However, such matters as provided under the Companies (Meetings of Board and its Powers) Rules, 2014 shall not be dealt with in a meeting through video conferencing or other audio visual means. Any meeting of the Board held through video conferencing or other audio visual means shall only be held in accordance with the Companies (Meetings of Board and its Powers) Rules, 2014.
- (c) The Company Secretary shall as and when, directed by the Chairman convene a meeting of the Board by giving a notice in writing to every Director in accordance with the provisions of the Act and the Companies (Meetings of Board and its Powers) Rules, 2014.
- (d) The Board may meet either at the Office of the Company, or at any other location in India or outside India as the Chairman may determine.
- (e) At least 7 (seven) days' notice of every meeting of the Board shall be given in writing to every Director for the time being at his usual address in India and in the case of a Director resident outside India, at his address outside India and to his alternate, if any in India at his address registered with the Company and such notice shall be sent by hand delivery or by post or by electronic means. A meeting of the Board may be convened in accordance with these Articles by a shorter notice in case of any emergency as directed by the Chairman or the Managing Director or the Executive Director, as the case may be, subject to the presence of 1 (one) Independent Director in the said meeting. If an Independent Director is not present in the said meeting, then decisions taken at the said meeting shall be circulated to all the Directors and shall be final only upon ratification by one independent Director. Such notice or shorter notice may be sent by post or by fax or e-mail depending upon the circumstances.
- (f) At any Board Meeting, each Director may exercise 1 (one) vote. The adoption of any resolution of the Board shall require the affirmative vote of a majority of the Directors present at a duly constituted Board Meeting.

82. QUORUM FOR BOARD MEETING

- (a) Quorum for Board Meetings
  - (i) The quorum for each Board Meeting shall be in accordance with the Act provided that the presence of at least 1 (one) Investor Director and at least 1 (one) Promoter Director will be required in order to constitute a quorum for any Board Meeting relating to the consideration of a Reserved Matter, or in

which any discussions in relation to a Reserved Matter are proposed to be conducted. The presence of at least 1 (one) Promoter Director shall be required to constitute a quorum for any other Board Meeting. The Investor shall have the right to, at its sole discretion, waive the requirement for the presence of an Investor Director under this Article 81(a)(i). The Promoters shall have the right to, in their sole discretion, waive the requirement for the presence of a Promoter Director to constitute quorum under this Article 81(a)(i).

(ii) If such a quorum is not present within half an hour from the time set for the Board Meeting, the Board Meeting shall be adjourned to the same time and place 7 (seven) Business Days later and notice and agenda for the adjourned Board Meeting shall be sent to all the Directors of the Company and the Investor (for as long as the Investor holds such number of Securities as is equivalent to the Investor Threshold). If a Board Meeting is adjourned, the Directors present at the adjourned Board Meeting convened in accordance with this Article 81 (a)(ii) shall, subject to the provisions of applicable Law and without prejudice to the rights of the Investor under Article 52, constitute a valid quorum for the Board Meeting. For the avoidance of doubt it is clarified that no discussion shall take place or decision be passed in respect of a Reserved Matter at the adjourned Board Meeting if the Company has not received an Investor Consent specifically approving such Reserved Matter in the manner set out in Article 51.

(iii) Subject to the provisions of Section 174 of the Act and the provisions of these Articles, the quorum for each Board Meeting shall be one-third of its total strength and the presence of Directors by video conferencing or by other audio visual means shall also be counted for the purposes of calculating quorum.

(b) If any duly convened Board Meeting cannot be held for want of a quorum, in terms of Article 76 above then such a meeting shall automatically stand adjourned for 7 (seven) days after the original meeting at the same time and place, or if that day is a national holiday, on the next succeeding day which is not a national holiday to the same time and place. Provided however, the adjourned meeting may be held on such other date and such other place as may be unanimously agreed to by all the Directors in accordance with the provisions of the Act.

(c) If in the event of a quorum once again not being available at such an adjourned meeting, the Directors present shall constitute the quorum and may transact business for which the meeting has been called.

#### 83. QUESTIONS AT THE BOARD MEETINGS HOW DECIDED

(a) Questions arising at any meeting of the Board, other than as specified in these Articles and the provisions of the Act, if any, shall be decided by a majority vote. In the case of an equality of votes, the Chairman shall have a second or casting vote.

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

#### 84. ELECTION OF CHAIRMAN OF BOARD

(a) The Board may elect a chairman of its meeting and determine the period for which he is to hold office.

- (b) If no such chairman is elected, or at any meeting the chairman is not present within five minutes after the time appointed for holding the meeting the Directors present may choose one among themselves to be the chairman of the meeting.

## 85. POWERS OF THE BOARD

Subject to the applicable provisions of the Act, these Articles and other applicable provisions of Law: -

- (a) The Board shall be entitled to exercise all such power and to do all such acts and things as the Company is authorised to exercise and do under the applicable provisions of the Act or by the memorandum and articles of association of the Company.
- (b) The Board is vested with the entire management and control of the Company, including as regards any and all decisions and resolutions to be passed, for and on behalf of the Company.
- (c) Provided that the Board shall not, except with the consent of the Company by a Special Resolution:-
  - i. 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 such undertaking. The term 'undertaking' and the expression 'substantially the whole of the undertaking' shall have the meaning ascribed to them under the provisions of Section 180 of the Act;
  - ii. Remit, or give time for repayment of, any debt due by a Director;
  - iii. Invest otherwise than in trust securities the amount of compensation received by the Company as a result of any merger or amalgamation; and
  - iv. Borrow money(ies) where the money(ies) to be borrowed together with the money(ies) already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of businesses), will exceed the aggregate of the paid-up capital of the Company and its free reserves.

## 86. COMMITTEES AND DELEGATION BY THE BOARD

- (a) The Company shall constitute such Committees as may be required under the Act and applicable provisions of Law. Without prejudice to the powers conferred by the other Articles and so as not to in any way to limit or restrict those powers, the Board may, subject to the provisions of Section 179 of the Act, delegate any of its powers to the Managing Director(s), the executive Director(s) or manager or the chief executive officer of the Company. The Managing Director(s), the executive Director(s) or the manager or the chief executive officer(s) as aforesaid shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on them by the Board and all acts done by them in exercise of the powers so delegated and in conformity with such regulations shall have the like force and effect as if done by the Board.
- (b) Subject to the applicable provisions of the Act, the requirements of Law and these Articles the Board may delegate any of its powers to Committees of the Board

consisting of such member or members of the Board as it thinks fit, and it may from time to time revoke and discharge any such committee of the Board either wholly or in part and either as to persons or purposes. Every 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. All acts done by any such Committee of the Board in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.

- (c) The meetings and proceedings of any such Committee of the Board consisting of or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulation made by the Directors under the last preceding Article.
- (d) Notwithstanding anything contained to the contrary in these Articles, any committee(s) formed by the Board ("**Committee**"), shall have at least 1 (one) Investor Director as a member such Committee.
- (e) The Board of the Company shall in accordance with the provisions of the Companies (Meetings of the Board and its Powers) Rules, 2014 or any other Law, form such committees as may be required under such rules in the manner specified therein, if the same are applicable to the Company.

#### 87. ACTS OF BOARD OR COMMITTEE VALID NOTWITHSTANDING INFORMAL APPOINTMENT

All acts undertaken at any meeting of the Board or of a Committee of the Board, or by any person acting as a Director shall notwithstanding that it may afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director. Provided that nothing in this Article shall be deemed to give validity to the acts undertaken by a Director after his appointment has been shown to the Company to be invalid or to have been terminated.

#### 88. PASSING OF RESOLUTION BY CIRCULATION

##### A. Resolution by circulation by the Board

Except as provided in Article 51, or otherwise prescribed by Law, a written resolution circulated to all the Directors and the Investor (for as long as the Investor holds such number of Securities as is equivalent to the Investor Threshold), whether in India or overseas, and signed by a majority of such Directors as approved shall be as valid and effective as a resolution duly passed at a Board Meeting, provided that it had been circulated in draft form, together with the necessary background and other information and/or supporting documents pertaining to the subject matter thereof, to all the Directors and the Investor (for as long as the Investor holds such number of Securities as is equivalent to the Investor Threshold).

##### B. Resolution by circulation by the committee, as constituted by the Board from time to time

No resolution shall be deemed to have been duly passed by the Board/ Committee

thereof by circulation, unless the resolution has been circulated in draft form, together with the necessary papers, if any, to all the Directors or members of the committee, as the case may be, at their addresses registered with the Company in India by hand delivery or by post or by courier or through such electronic means as may be provided under the Companies (Meetings of Board and its Powers) Rules, 2014 and has been approved by majority of the Directors or member of the committee, who are entitled to vote at the meeting. However, in case one-third of the total number of Directors or member of the Committee 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 meeting of the Board/ Committee.

A resolution mentioned above shall be noted at a subsequent meeting of the Board or Committee thereof, as the case may be, and made part of the minutes of such meeting.

#### 89. MINUTES OF THE PROCEEDINGS OF THE MEETING OF THE BOARD

- (a) The Company shall prepare minutes of each Board Meeting and the entries thereof in books kept for that purpose with their pages consecutively numbered. Such minutes shall contain a fair and correct summary of the proceedings conducted at the Board Meeting.
- (b) The Company shall circulate the minutes of the meeting to the Investor and each Director within 7 (seven) Business Days after the Board Meeting.
- (c) Each page of every such book shall be initialed or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting.
- (d) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.
- (e) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat and shall also contain: -
  - (i) all appointments of Officers;
  - (ii) the names of the Directors present at each meeting of the Board;
  - (iii) all resolutions and proceedings of the meetings of the Board;
  - (iv) the names of the Directors, if any, dissenting from, or not concurring in, any resolution passed by the Board.
- (f) Nothing contained in sub articles (a) to (e) above shall be deemed to require the inclusion in any such minutes of any matter which in the opinion of the Chairman of the meeting: -
  - (i) is or could reasonably be regarded as defamatory of any person;
  - (ii) is irrelevant or immaterial to the proceedings; or
  - (iii) is detrimental to the interests of the Company.
- (g) The Chairman shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the ground specified in sub article (f) above.

- (h) Minutes of meetings kept in accordance with the aforesaid provisions shall be evidence of the proceedings recorded therein.
- (i) The minutes kept and recorded under this Article shall also comply with the provisions of Secretarial Standard 3 issued by the Institute of Company Secretaries of India constituted under the Company Secretaries Act, 1980 and approved as such by the central government and applicable provisions of the Act and Law.

90. REGISTER OF CHARGES

The Directors shall cause a proper register to be kept, in accordance with the applicable provisions of the Act, of all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the applicable provisions of the Act in regard to the registration of mortgages and charges therein specified.

91. CHARGE OF UNCALLED CAPITAL

Where any uncalled capital of the Company is charged as security or other security is created on such uncalled capital, the Directors may authorize, subject to the applicable provisions of the Act and these Articles, making calls on the Shareholders in respect of such uncalled capital in trust for the person in whose favour such charge is executed.

92. SUBSEQUENT ASSIGNS OF UNCALLED CAPITAL

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

93. CHARGE IN FAVOUR OF DIRECTOR FOR INDEMNITY

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

94. OFFICERS

- (a) The Company shall have its own professional management and such officers shall be appointed from time to time as designated by its Board. The officers of the Company shall serve at the discretion of the Board.
- (b) The officers of the Company shall be responsible for the implementation of the decisions of the Board, subject to the authority and directions of the Board and shall conduct the day to day business of the Company.
- (c) The officers of the Company shall be the Persons in charge of and responsible to the Company for the conduct of the business of the Company and shall be concerned and responsible to ensure full and due compliance with all statutory laws, rules and regulations as are required to be complied with by the Company and/or by the Board of the Company.
- (d) Qualified experienced managerial and marketing executives and other officers shall be appointed for the operation and conduct of the business of the Company.

- (e) The Board shall appoint with the approval of the Chairman, the President and/or Chief Executive Officer and/or Chief Operating Officer of the Company, as well as persons who will be appointed to the posts of senior executive management.

95. THE SECRETARY

- (a) Subject to the provisions of Section 383A of the Companies Act, 1956, the Board may from time to time appoint any individual as Secretary of the Company to perform such functions, which by the Act or these Articles for the time being of the Company are to be performed by the Secretary and to execute any other duties which may from time to time be assigned to him by the Board. The Board may confer upon the Secretary so appointed any powers and duties as are not by the Act or by these Articles required to be exercised by the Board and may from time to time revoke, withdraw, alter or vary all or any of them. The Board may also at any time appoint some individual (who need not be the Secretary), to maintain the Registers required to be kept by the Company.
- (b) The Secretary shall be an individual responsible to ensure that there shall be no default, non-compliance, failure, refusal or contravention of any of the applicable provisions of the Act, or any rules, regulations or directions which the Company is required to conform to or which the Board of the Company are required to conform to and shall be designated as such and be the officer in default.

96. DIRECTORS' & OFFICERS' LIABILITY INSURANCE

Subject to the provisions of the Act and Law, the Company shall procure, at its cost, comprehensive directors and officers liability insurance for each Director which shall not form a part of the remuneration payable to the Directors in the circumstances described under Section 197 of the Act: -

- (a) on terms approved by the Board;
- (b) which includes each Director as a policyholder;
- (c) is from an internationally recognised insurer approved by the Board; and
- (d) for a coverage for claims of an amount not less than the Rupee equivalent of Rs. 1,00,00,000 (Rupees One Crore Only) in the aggregate or as may be decided by the Board, from time to time.

97. SEAL

- (a) The Board shall provide a Common 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 Board shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by the authority of the Board or a Committee of the Board, previously given.
- (b) The Company shall also be at liberty to have an official Seal(s) in accordance with Section 50 of the Act, for use in any territory, district or place outside India.
- (c) Every deed or other instrument to which the Seal of the Company is required to be affixed shall unless the same is executed by a duly constituted attorney, be signed by (i) 2 (two) Directors or (ii) by 1 (one) Director and the Secretary or (iii) by 1 (one) Director and any other person as may be authorised by the Board for that purpose.

98. ACCOUNTS

- (a) The Company shall prepare and keep at the Office books of accounts or other relevant books and papers and financial statements for every financial year which give a true and fair view of the state of affairs of the Company, including its branch office or offices, if any, and explain the transactions effected both at the Office and its branches and such books shall be kept on accrual basis and according to the double entry system of accounting.
- (b) Where the Board decides to keep all or any of the books of account at any place other than the Office, the Company shall, within 7 (seven) days of the decision file with the Registrar, a notice in writing giving the full address of that other place. The Company may also keep such books of accounts or other relevant papers in electronic mode in accordance with the provisions of the Act.
- (c) The Company shall preserve in good order the books of account relating to a period of not less than eight years preceding the current year.
- (d) When the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with this 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 dates at intervals of not more than three months, are sent by the branch office to the Company at its office or at the other place in India, at which the Company's books of account are kept as aforesaid.
- (e) No Shareholder (not being a Director) shall have any right of inspecting any account or books or documents of the Company except specified under the Act and Law.
- (f) In accordance with the provisions of the Act, along with the financial statements laid before the Shareholders, there shall be laid a 'Board's report' which shall include:
  - i. the extract of the annual return as provided under sub-section (3) of Section 92 of the Act;
  - ii. number of meetings of the Board;
  - iii. Directors' responsibility statement as per the provisions of Section 134 (5) of the Act;
  - iv. a statement on declaration given by Independent Directors under sub-section (6) of Section 149 of the Act;
  - v. in the event applicable, as specified under sub-section (1) of Section 178 of the Act, Company's policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of Section 178 of the Act;
  - vi. explanations or comments by the Board on every qualification, reservation or adverse remark or disclaimer made-
    - 1. by the auditor in his report; and
    - 2. by the company secretary in practice in his secretarial audit report;

- vii. particulars of loans, guarantees or investments under Section 186 of the Act;
  - viii. particulars of contracts or arrangements with related parties referred to in sub-section (1) of Section 188 in the prescribed form;
  - ix. the state of the company's affairs;
  - x. the amounts, if any, which it proposes to carry to any reserves;
  - xi. the amount, if any, which it recommends should be paid by way of Dividends;
  - xii. material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report;
  - xiii. the conservation of energy, technology absorption, foreign exchange earnings and outgo, in such manner as may be prescribed;
  - xiv. a statement indicating development and implementation of a risk management policy for the company including identification therein of elements of risk, if any, which in the opinion of the Board may threaten the existence of the company;
  - xv. the details about the policy developed and implemented by the company on corporate social responsibility initiatives taken during the year;
  - xvi. in case of a listed company and every other public company having such paid-up share capital as may be prescribed, a statement indicating the manner in which formal annual evaluation has been made by the Board of its own performance and that of its committees and individual directors;
  - xvii. such other matters as may be prescribed under the Law, from time to time.
- (g) All the aforesaid books shall give a fair and true view of the affairs of the Company or its branch office, as the case may be, with respect to the matters herein and explain its transactions.

## 99. AUDIT AND AUDITORS

- (a) Auditors shall be appointed and their rights and duties shall be regulated in accordance with Sections 139 to 147 of the Act and as specified under Law.
- (b) Every account of the Company when audited shall be approved by a General Meeting and shall be conclusive except as regards any error discovered therein within three months next after the approval thereof. Whenever any such error is discovered within that period the account shall forthwith be corrected, and henceforth shall be conclusive.
- (c) Every balance sheet and profit and loss account shall be audited by one or more Auditors to be appointed as hereinafter set out.
  - a. The Company at the Annual General Meeting in each year shall appoint an Auditor or Auditors to hold office from the conclusion of that meeting until

conclusion of the next Annual General Meeting and every Auditor so appointed shall be intimated of his appointment within 7 (seven) days.

- b. Where at an Annual General Meeting, no Auditors are appointed, the Central Government may appoint a person to fill the vacancy and fix the remuneration to be paid to him by the Company for his services.
- c. The Company shall within 7 (seven) days of the Central Government's power under sub clause (b) becoming exercisable, give notice of that fact to the Government.
- d. The Directors may fill any casual vacancy in the office of an Auditor but while any such vacancy continues, the remaining auditors (if any) may act. Where such a vacancy is caused by the resignation of an Auditor, the vacancy shall only be filled by the Company in General Meeting.
- e. A person, other than a retiring Auditor, shall not be capable of being appointed at an Annual General Meeting unless special notice of a resolution of appointment of that person to the office of Auditor has been given by a Shareholder to the Company not less than 14 (fourteen) days before the meeting in accordance with Section 115 of the Act, and the Company shall send a copy of any such notice to the retiring Auditor and shall give notice thereof to the Shareholders in accordance with provisions of Section 115 of the Act and all the other provision of Section 140 of the Act shall apply in the matter. The provisions of this sub-clause shall also apply to a resolution that a retiring auditor shall not be re-appointed.
- f. The persons qualified for appointment as Auditors shall be only those referred to in Section 141 of the Act.
- g. None of the persons mentioned in Section 141 of the Act as are not qualified for appointment as auditors shall be appointed as Auditors of the Company.

#### 100. AUDIT OF BRANCH OFFICES

The Company shall comply with the applicable provisions of the Act and the Companies (Audit and Auditor) Rules, 2014 in relation to the audit of the accounts of branch offices of the Company.

#### 101. REMUNERATION OF AUDITORS

The remuneration of the Auditors shall be fixed by the Company as authorized in General Meeting from time to time in accordance with the provisions of the Act and the Companies (Audit and Auditor) Rules, 2014.

#### 102. DOCUMENTS AND NOTICES

- (a) A document or notice may be given or served by the Company to or on any Shareholder whether having his registered address within or outside India either personally or by sending it by post to him to his registered address.
- (b) Where a document or notice is sent by post, service 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 Shareholder 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 acknowledgement due or by cable or telegram and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the document or notice shall be deemed to be effected unless it is sent in the manner intimated by the Shareholder. Such service shall be deemed to have effected in the case of a notice of a meeting, at the expiration of forty eight hours after the letter containing the document or notice is posted or after a telegram has been dispatched and in any case, at the time at which the letter would be delivered in the ordinary course of post or the cable or telegram would be transmitted in the ordinary course.

- (c) A document or notice may be given or served by the Company to or on the joint-holders of a Share by giving or serving the document or notice to or on the joint-holder named first in the Register of Shareholders in respect of the Share.
- (d) 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 Share, which previous to his name and address being entered on the register of Shareholders, shall have been duly served on or given to the Person from whom he derives his title to such Share.
- (e) Any document or notice to be given or served by the Company may be signed by a Director or the Secretary or some Person duly authorised by the Board for such purpose and the signature thereto may be written, printed, photostat or lithographed.
- (f) All documents or notices to be given or served by Shareholders on or to the Company or to any officer thereof shall be served or given by sending the same 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.
- (g) Where a Document is sent by electronic mail, service thereof shall be deemed to be effected properly, where a member has registered his electronic mail address with the Company and has intimated the Company that documents should be sent to his registered email address, without acknowledgement due. Provided that the Company, shall provide each member an opportunity to register his email address and change therein from time to time with the Company or the concerned depository. The Company shall fulfill all conditions required by Law, in this regard.

#### 103. SHAREHOLDERS TO NOTIFY ADDRESS IN INDIA

Each registered Shareholder from time to time notify in writing to the Company such place in India to be registered as his address and such registered place of address shall for all purposes be deemed to be his place of residence.

#### 104. SERVICE ON MEMBERS HAVING NO REGISTERED ADDRESS

If a Shareholder does not have registered address in India, and has not supplied to the Company any address within India, for the giving of the notices to him, a document advertised in a newspaper circulating in the neighborhood of Office of the Company shall be deemed to be duly served to him on the day on which the advertisement appears.

#### 105. SERVICE ON PERSONS ACQUIRING SHARES ON DEATH OR INSOLVENCY OF SHAREHOLDERS

A document may be served by the Company on the persons entitled to a share in consequence of the death or insolvency of a Shareholders by sending it through the post in a prepaid letter

addressed to them by name or by the title or representatives of the deceased, assignees of the insolvent by any like description at the address (if any) in India supplied for the purpose by the persons claiming to be so entitled, or (until such an address has been so supplied) by serving the document in any manner in which the same might have been served as if the death or insolvency had not occurred.

#### 106. PERSONS ENTITLED TO NOTICE OF GENERAL MEETINGS

Subject to the applicable provisions of the Act and these Articles, notice of General Meeting shall be given:

- (a) To the Shareholders of the Company as provided by these Articles.
- (b) To the persons entitled to a share in consequence of the death or insolvency of a Shareholder.
- (c) To the Auditors for the time being of the Company; in the manner authorized by as in the case of any Shareholder of the Company.

#### 107. NOTICE BY ADVERTISEMENT

Subject to the applicable provisions of the Act, any document required to be served or sent by the Company on or to the Shareholders, or any of them and not expressly provided for by these Articles, shall be deemed to be duly served or sent if advertised in a newspaper circulating in the District in which the Office is situated.

#### 108. DIVIDEND POLICY

- (a) The profits of the Company, subject to any special rights relating thereto being created or authorised to be created by the Memorandum or these Articles and subject to the provisions of these Articles shall be divisible among the Shareholders in proportion to the amount of Capital Paid-up or credited as Paid-up and to the period during the year for which the Capital is Paid-up on the Shares held by them respectively. Provided always that, (subject as aforesaid), any Capital Paid-up on a Share during the period in respect of which a Dividend is declared, shall unless the Directors otherwise determine, only entitle the holder of such Share to an apportioned amount of such Dividend as from the date of payment.
- (b) Subject to the provisions of Section 123 of the Act the Company in General Meeting may declare Dividends, to be paid to Shareholders according to their respective rights and interests in the profits. No Dividends shall exceed the amount recommended by the Board, but the Company in General Meeting may declare a smaller Dividend, and may fix the time for payments not exceeding 30 (thirty) days from the declaration thereof.
- (c) (i) No Dividend shall be declared or paid otherwise than out of profits of the Financial Year arrived at after providing for depreciation in accordance with the provisions of Section 123 of the Act or out of the profits of the Company for any previous Financial Year or years arrived at after providing for depreciation in accordance with those provisions and remaining undistributed or out of both provided that: -
  - 1) if the Company has not provided for depreciation for any previous Financial Year or years it shall, before declaring or paying a Dividend for any Financial Year provide for such depreciation out of

the profits of that Financial Year or out of the profits of any other previous Financial Year or years; and

- 2) if the Company has incurred any loss in any previous Financial Year or years the amount of the loss or an amount which is equal to the amount provided for depreciation for that year or those years whichever is less, shall be set off against the profits of the Company for the year for which the Dividend is proposed to be declared or paid or against the profits of the Company for any previous Financial Year or years arrived at in both cases after providing for depreciation in accordance with the provisions of Section 123 of the Act or against both.
- (ii) The declaration of the Board as to the amount of the net profits shall be conclusive.
  - (d) The Board may from time to time, pay to the Shareholders such interim Dividend as in their judgment the position of the Company justifies.
  - (e) Where Capital is paid in advance of calls upon the footing that the same shall carry interest, such Capital shall not whilst carrying interest, confer a right to participate in profits or Dividend.
  - (f)
    - (i) Subject to the rights of Persons, if any, entitled to Shares with special rights as to Dividend, all Dividends shall be declared and paid according to the amounts paid or credited as paid on the Shares in respect whereof Dividend is paid but if and so long as nothing is Paid upon any Shares in the Company, Dividends may be declared and paid according to the amount of the Shares.
    - (ii) No amount paid or credited as paid on Shares in advance of calls shall be treated for the purpose of this regulation as paid on Shares.
    - (iii) 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 Shares are issued on terms providing that it shall rank for Dividend as from a particular date such Shares shall rank for Dividend accordingly.
  - (g) Subject to the provisions of the Act and these Articles, the Board may retain the Dividends payable upon Shares in respect of any Person, until such Person shall have become a Shareholder, in respect of such Shares or until such Shares shall have been duly transferred to him.
  - (h) Any one of several Persons who are registered as the joint-holders of any Share may give effectual receipts for all Dividends or bonus and payments on account of Dividends or bonus or sale proceeds of fractional certificates or other money(ies) payable in respect of such Shares.
  - (i) Subject to the provisions of the Act, no Shareholder shall be entitled to receive payment of any interest or Dividends 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); either alone or jointly with any other Person or Persons; and the Board may deduct from the interest or Dividend payable to any such Shareholder all sums of money so due from him to the Company.

- (j) Subject to Section 126 of the Act, a transfer of Shares shall not pass the right to any Dividend declared thereon before the registration of the transfer.
- (k) Unless otherwise directed any Dividend may be paid by cheque or warrant or by a pay slip or receipt (having the force of a cheque or warrant) and sent by post or courier or by any other legally permissible means to the registered address of the Shareholder or Person entitled or in case of joint-holders to that one of them first named in the Register of Shareholders in respect of the joint-holding. Every such cheque or warrant shall be made payable to the order of the Person to whom it is sent and in case of joint-holders to that one of them first named in the Register of Shareholders in respect of the joint-holding. 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 a Shareholder or Person entitled thereto, by a forged endorsement of any cheque or warrant or a forged signature on any pay slip or receipt of a fraudulent recovery of Dividend. If 2 (two) or more Persons are registered as joint-holders of any Share(s) any one of them can give effectual receipts for any money(ies) payable in respect thereof. Several Executors or Administrators of a deceased Shareholder in whose sole name any Share stands shall for the purposes of this Article be deemed to be joint-holders thereof.
- (l) No unpaid Dividend shall bear interest as against the Company.
- (m) Any General Meeting declaring a Dividend may on the recommendation of the Board, make a call on the Shareholders of such amount as the meeting fixes, but so that the call on each Shareholder shall not exceed the Dividend payable to him, and so that the call will be made payable at the same time as the Dividend; and the Dividend may, if so arranged as between the Company and the Shareholders, be set-off against such calls.
- (n) Notwithstanding anything contained in this Article, the dividend policy of the Company shall be governed by the applicable provisions of the Act and Law.
- (o) The Company may pay dividends on shares in proportion to the amount paid-up on each Share in accordance with Section 51 of the Act.

#### 109. UNPAID OR UNCLAIMED DIVIDEND

- (a) If the Company has declared a Dividend but which has not been paid or the Dividend warrant in respect thereof has not been posted or sent within 30 days from the date of declaration to any Shareholder entitled to the payment of such dividends, the Company shall within 7 (seven) days from the date of expiry of the said period of 30 (thirty) days, open a special account in that regard with any scheduled bank called the “Unpaid Dividend of IMAGICAAWORLD ENTERTAINMENT LIMITED\*” 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.

*\* (1) Deletion of word Private from the name of the Company vide Special resolution passed at the Extra Ordinary General Meeting held on 13<sup>th</sup> February, 2010*

*(2) Name changed from Adlabs Entertainment Limited to “Imagicaaworld Entertainment Limited” pursuant to Special Resolution passed by way of Postal Ballot dated March 23, 2020*

- (b) Any money so transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of 7 (seven) years from the date of such transfer, shall be transferred by the Company to the Fund established under sub-section (1) of Section 125 of the Act, viz. "Investors Education and Protection Fund".
- (c) No unpaid or unclaimed Dividend shall be forfeited by the Board before the claim becomes barred by Law.

#### 110. CAPITALIZATION OF PROFITS

The Company in General Meeting may, upon the recommendation of the Board, resolve:

- (a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the Company's profit and loss account or otherwise, as available for distribution, and
- (b) that such sum be accordingly set free from distribution in the manner specified herein below in sub-article (iii) as amongst the Shareholders who would have been entitled thereto, if distributed by way of Dividends and in the same proportions.
- (c) The Board shall have full power:
  - (i) to make such provisions, by the issue of fractional certificates or by payments in cash or otherwise as it thinks fit, in the case of shares or debentures becoming distributable in fraction; and also
  - (ii) to authorize any person, on behalf of all the Shareholders entitled thereto, to enter into an agreement with the Company providing for the allotment to such Shareholders, credited as fully paid up, of any further shares or debentures to which they may be entitled upon such capitalization or (as the case may require) for the payment of by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised of the amounts or any parts of the amounts remaining unpaid on the shares.
- (d) Any agreement made under such authority shall be effective and binding on all such Shareholders.

#### 111. RESOLUTION FOR CAPITALISATION OF RESERVES AND ISSUE OF FRACTIONAL CERTIFICATE

- (a) The Board shall give effect to a Resolution passed by the Company in pursuance of this regulation.
- (b) Whenever such a Resolution as aforesaid shall have been passed, the Board shall:
  - (i) make all appropriation and applications of undivided profits (resolved to be capitalized thereby), and all allotments and issues of fully paid Shares or Securities, if any; and
  - (ii) generally do all acts and things required to give effect thereto.

#### 112. DISTRIBUTION OF ASSETS IN SPECIE OR KIND UPON WINDING UP

- (a) 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, divide amongst the Shareholders, in specie or kind the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.

- (b) 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 Shareholders or different classes of Shareholders.

#### 113. DIRECTORS' AND OTHERS' RIGHTS TO INDEMNITY

Subject to the provisions of Section 197 of the Act, every Director, Manager and other officer or employee of the Company shall be indemnified by the Company against any liability incurred by him and it shall be the duty of the Directors to pay out of the funds of the Company all costs, losses and expenses which any Director, Manager, officer or employee may incur or become liable to by reason of any contract entered into by him on behalf of the Company or in any way in the discharge of his duties and in particular, and so as not to limit the generality of the foregoing provision, against all liabilities incurred by him as such Director, Manager, officer or employee in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or he is acquitted or in connection with any application under Section 463 of the Act in which relief is granted by the Court and the amount for which such indemnity is provided shall immediately attach as a lien on the property of the Company and have priority as between the Shareholders over all claims.

#### 114. DIRECTORS ETC., NOT LIABLE FOR CERTAIN ACTS

Subject to the provisions of Section 197 of the Act, no Director, Manager, officer or employee of the Company shall be liable for the acts, defaults, receipts and neglects of any other Director, Manager, officer or employee or for joining in any receipts or other act for the sake of conformity or for any loss or expenses happening to the Company through the insufficiency, or deficiency of any security in or upon which any of the monies of the Company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any Person with whom any money(ies), Securities or effects shall be deposited or for any loss occasioned by an error of judgment or oversight on his part, or for any other loss, damage or misfortune whatsoever which shall happen in the execution thereof unless the same shall happen through his own negligence, default, misfeasance, breach of duty or breach of trust.

Without prejudice to the generality foregoing it is hereby expressly declared that any filing fee payable or any document required to be filed with Registrar of Companies in respect of any act done or required to be done by any Director or other Officer by reason of his holding the said office, shall be paid and borne by the Company.

#### 115. INSPECTION BY SHAREHOLDERS

The register of charges, register of investments, register of Shareholders, books of accounts and the minutes of the meetings of the Board and Shareholders shall be kept at the Office of the Company and shall be open, during business hours, for such periods not being less in the aggregate than two hours in each day as the Board determines, for the inspection of any Shareholder without charge. In the event such Shareholder conducting inspection of the abovementioned documents requires extracts of the same, the Company may charge a fee which shall not exceed Rupees Ten per page or such other limit as may be prescribed under the Act or other applicable provisions of Law.

#### 116. AMENDMENT TO MEMORANDUM AND ARTICLES OF ASSOCIATION

- (a) The Shareholders shall vote for all the Equity Shares owned or held on record by such Shareholders at any Annual or Extraordinary General Meeting of the Company in accordance with these Articles.
- (b) The Shareholders shall not pass any resolution or take any decision which is contrary to any of the terms of these Articles.
- (c) The Articles of the Company shall not be amended unless (i) Shareholders holding not less than 75% of the Equity Shares (and who are entitled to attend and vote) cast votes in favour of each such amendment/s to the Articles.

#### 117. SECRECY

No Shareholder shall be entitled to inspect the Company's works without the permission of the managing Director/Directors or to require discovery of any information respectively any detail of the Company's trading or any matter which is or may be in the nature of a trade secret, history of trade or secret process which may be related to the conduct of the business of the Company and which in the opinion of the managing Director/Directors will be inexpedient in the interest of the Shareholders of the Company to communicate to the public.

#### 118. DUTIES OF OFFICERS TO OBSERVE SECRECY

Every Director, managing Directors, manager, Secretary, Auditor, trustee, members of committee, Officer, servant, agent, accountant or other persons employed in the business of the Company shall, if so required by the Director before entering upon his duties, or any time during his term of office, sign a declaration pledging himself to observe secrecy relating to all transactions of the Company and the state of accounts and in matters relating thereto and shall by such declaration pledge himself not to reveal any of such matters which may come to his knowledge in the discharge of his official duties except which are required so to do by the Directors or the Auditors or by a resolution of the Company in a General Meeting or by a court of Law and except so far as may be necessary in order to comply with any of the provision of these Articles or Law. Nothing herein contained shall affect the powers of the Central Government or any officer appointed by the Government to require or to hold an investigation into the Company's affairs.

#### 119. PROVISIONS OF COMPANIES ACT, 1956 SHALL CEASE TO HAVE EFFECT

Notwithstanding anything contained in these Articles, the provisions of the Companies Act, 1956, as are mentioned under these Articles shall cease to have any effect once the said provisions are repealed upon notification of the corresponding provisions under the Act.