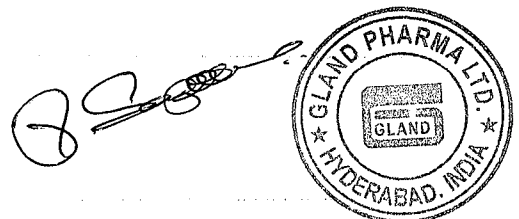


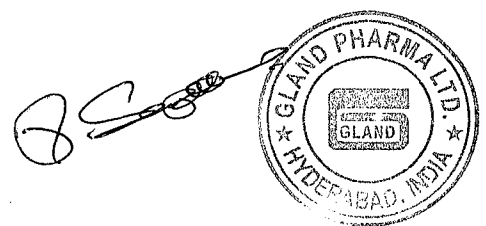
**INCORPORATED**  
**UNDER THE COMPANIES ACT, 1956**  
**(1 OF 1956)**  
**COMPANY LIMITED BY SHARES**  
**MEMORANDUM OF ASSOCIATION**  
**OF**  
**GLAND PHARMA LIMITED**

- I. The name of the Company is Gland Pharma Limited.
- II The Registered Office of the company will be situated in the State of Andhra Pradesh.
- III. The objects for which the company is established are:
  - A) **MAIN OBJECTS TO BE PURSUED BY THE COMPANY ON INCORPORATION ARE AS UNDER:**
    1. To carry on business as manufacturers of and dealers in pharmaceutical medicinal, herbal, bacteriological, biological, chemical, industrial, and other preparations, articles and compounds and druggists generally.
    2. To carry on business as manufacturers of and dealers in anatomical, orthopaedic and surgical appliances of all kinds, veterinary instruments, medical, curative and healing instruments and equipments generally artificial eyes and limbs, surgical, hospital, laboratory, observatory, chemical, electrical, photographic and scientific instruments, equipments, supplies, furniture articles and products.
  - B) **THE OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF THE MAIN OBJECTS MENTIONED AT (A) ABOVE ARE:**
    1. To acquire real or leasehold estate, and to purchase, lease, construct or otherwise acquire or provide in any place, in which any part of the business of the company may from time to time be carried on, all such offices, warehouse, workshops, buildings, engines, machinery plant and appliances as may be considered requisite and essential for the purpose of carrying on the business of the company or any part thereof.
    2. To carry on the business of distributors, selling agents, manufacturers, representatives, canvassers, general brokers, commission agents, manufacturers, stockists, ware housemen to all goods, merchandise processes, formulae, rights and concessions of all kinds and descriptions.
    3. To establish and maintain agencies, at any place or places in India or other parts of the world for the conduct of the business of the company or the purchase and sale for any



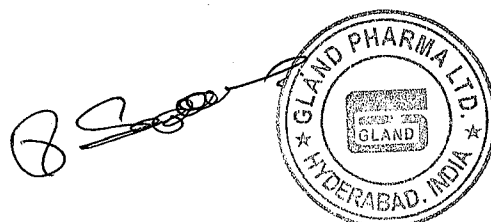
goods, merchandise, 'materials, articles, and things required for or dealt in or manufactured by or at the disposal of the company.

4. To erect buildings, sheds, roads, or houses on any land leased or purchased, or to be leased by the company, and to enlarge, alter or improve existing buildings, sheds, roads, or houses thereon.
5. To buy, sell, manufacture, refine, manipulate, import, export and deal in all substances, apparatuses and things capable of being used in any such business as aforesaid, or, required by any customers or persons having any dealings with the company either by wholesale or retail.
6. To employ or otherwise engage technical experts, engineers, scientists, mechanics, foreman, skilled and unskilled labour for any of the, purposes of business of the company.
7. To apply for, tender, purchase or otherwise acquire, contracts, sub-contracts and concession for all or any of them and to undertake, execute, carry out, dispose off or otherwise turn to account the same and to sublet or any contracts from time to time and upon such terms and conditions as may be thought expedient.
8. To develop, repair, improve, extend, maintain, manage, mortgage, change, exchange, sell, assign, transfer, dispose off, turn to account or otherwise, deal with the whole or any part of the company's property and assets.
9. To build, alter, construct, and maintain any mills, factories, warehouses, chawls, dwellings, reservoirs, tanks, roads and railways, railway siding and canals and other buildings or works necessary or convenient for the company or which can be convenient in connection therewith.
10. To Purchase or by any other means acquire, whether in India or elsewhere, any patents, rights, processes and secrets, brevets, 'D' inventions, licenses, protections and' concessions which may appear likely to be advantageous or useful to the company, and to use and turn to account and to manufacture or grant licences or privileges in respect of the same and to spend money experimenting upon and testing and in improving or seeking to improve any patents, inventions, processes, secrets and rights which the company may acquire or propose to acquire.
11. To enter into partnership or into any arrangements for sharing of profits, co-operation, amalgamation, union of interest, joint venture, reciprocal concessions, or otherwise with

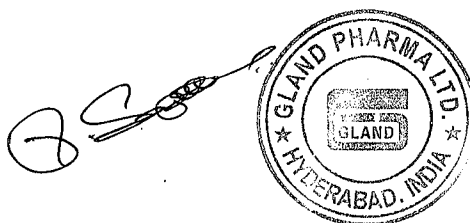


any Government authority, person, firm or company carrying on or engaged in or about to carry on, engage any business or transactions in which the company is authorised to carry on or engage in, or any business undertaking or transactions which may seem capable of being carried on or conducted so as directly or indirectly to benefit the company; and to lend money, to guarantee or otherwise assist any such person, firm or company and to place, take or otherwise acquire and hold shares or securities of any such persons, firm or company to sell, hold reissue with or without guarantee or otherwise deal with the same. But the company shall not do the business of banking as defined in the Banking Regulation Act, 1949.

12. To insure with any person or company against losses, damages, risks and liabilities of any kind which may effect the company either wholly or partly.
13. To assist any company, financially or otherwise, or by issuing or subscribing for or guaranteeing the subscription and issue of capital, shares stock, debentures stock, or other securities and to hold and deal in shares, stocks and securities of the company notwithstanding any liability thereon.
14. To promote, form and to be interested in and take, hold and dispose, off shares in other companies having all or any of the objects mentioned in the memorandum, or which may be considered useful to the company and to transfer to any such company, any property of this company and to take or otherwise acquire, hold and dispose of shares, debentures and other securities, in or of any such company, and to subsidise or otherwise assist any such company.
15. To procure the incorporation, registration or other recognition of the company in any country or place and to establish and regulate agencies for the purpose of the company's business and to apply or join in apply to any parliament, local government, municipal or other authority, or body, Indian or privileges that may seem conducive to the company's objects or any of them and to oppose any proceedings or applications which may seem calculated directly or indirectly, to prejudice the company's interests.
16. To incur debts and obligations for, the conduct of any business of the company and to purchase or hire the goods, materials, or machinery on credit or otherwise for any business or purposes of this company.
17. To open an account or accounts with an individual, firm or company or with banker and bankers or banks or shroffs and to pay into and to withdraw money from such account or accounts.

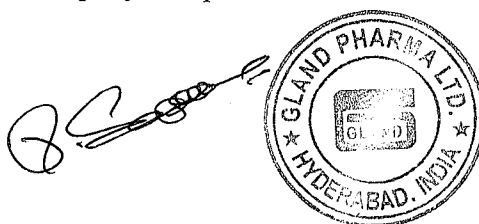


18. To **make** advances of such sum or sums of money upon or in respect of or for the **rendering** of services to the company, purchase of materials, goods, machinery, stores or any other property, articles and things required for the purpose of the company upon such **terms** with or without security as the company may deem expedient.
19. To **make**, draw, accept, endorse, negotiate discount, buy, sell and deal in bills, notes, **hundis** and other negotiable or transferable instruments.
20. To **borrow** and secure the payment, money/moneys in such manner and on such terms as the **directors** may deem expedient, and to mortgage or charge the undertaking and all or any part of the property and rights of the company, present or future including uncalled **capital**.
21. To **lend** money to any person or company and to guarantee the performance of any **contracts**.
22. To **pay** for any business, property or rights acquired or agreed to be acquired by this **company**, and generally to satisfy any obligation of this company, by issue or transfer of **shares** of this or any other company credited as full or partly paidup, or of debentures or **other** securities of this or any other company.
23. To **sell**, exchange, let, develop, dispose of or otherwise deal with the undertaking or all or any part of the property of this company upon such terms and for such price, or other **consideration** of any kind as the company in general meeting may think fit.
24. To **create** any depreciation fund, reserve sinking fund, insurance fund or any other special **fund**, whether for depreciation or for repairing, improving, extending, maintaining any of the **property** of the Company, or for any other purpose conducive to the interests of the **Company**.
25. To **adopt** such means of making known the products of or the business carried on by the **company** as may seem expedient and in particular by advertising in press, by circulars or **purchase** or exhibition of works of art interest and publication of books and periodicals and **by** granting prizes, awards and donations.
26. To **promote** or assist in or contract with any person or company for the promotion of any **company** or companies, for the purpose of acquiring all or any of the property and **liabilities** of this company or for any other purpose.
27. To **remunerate** any person or persons whether directors, officers or agents of the



Company or not, for services rendered in or about the conduct of the Company's business.

28. To **invest** and deal with the moneys of the Company not immediately required, upon such securities and in such manner as may from time to time be determined by the directors.
29. To **establish** and support funds of institutions calculated to benefit employees or ex-employees of the company, or its predecessors in business or the dependents or connection of such persons, and to grant pensions and allowances and to subscribe, or Guarantee money for charitable objects.
30. To **amalgamate** with any other company or body of persons having objects altogether or part similar to those of the company.
31. To **pay** all costs, charges and expenses of and incidental to the promotion, formation, registration, and establishment of the company and to remunerate or make donations (by cash or by the allotment of fully or partly paid shares, or by a call or option on shares, debenture-stock or securities of this or any other manner, whether out of the company's capital or profits or otherwise) any person for services rendered or to be rendered introducing any property or business to the company, or for any other reason which the company may think proper.
32. To **provide** for the welfare of the directors, officers, employees and ex-directors, ex-officers, ex-employees of the company and the wives, widows and families of the dependents or connections of such persons, by building or contributing to the building of houses, dwellings or chawls, or by grants of money pension, allowances, bonus or other payments or by creating and from time to time subscribing or contributing to provident or other associations, institutions, funds or trusts, and by providing or subscribing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the company shall think fit, to subscribe or contribute or otherwise to assist or to guarantee money or charitable, benevolent, religious, scientific, national, public or other institutions and objects which shall have any moral or other claim to support or aid by the company, either by reason of locality of operation or public and general utility or otherwise to incur expenditure in developing the education and to grant scholarships, aids or any other help to students including incurring and paying expenses in sending them for higher studies in India or in any Foreign Country.
33. Subject to the provisions of the Companies Act, 1956 to indemnity Members, Officer, Directors and Servants of the Company or persons otherwise concerned with the



company against proceedings, costs, damages, claims and demands in respect of anything done or ordered to be done by them for and in the interest of the company or for any damages or losses or misfortune whatever, which shall happen in the executing of the duties of their office, freedom of contract and or in relation there to.

34. To carry on the business directly or indirectly conducive to or incidental to the attainment of the above main objects to make and perform contracts, leases and other commitments of every kind.
35. To promote, establish, administer, run, own, manage and to be dealers to industrial enterprises.
36. In the event of winding up of the Company to distribute any of the property of the company amongst the members in piece or kind.

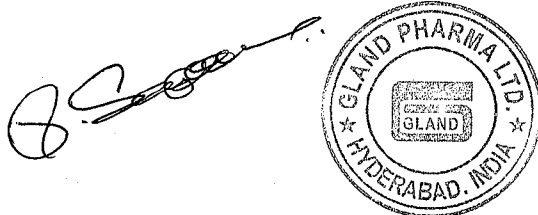
**(C) OTHER OBJECTS:**

1. To carry on business as manufacturers of and dealers in chemicals, dyes, dyestuffs, dyewares, gases, plaster of Paris gypsum, plasters, salts, acids, alkalies, tanning, essences, cordiels, oil, isinglass, colours, glues, gums, plasters, pigments varnishes, organic or mineral intermediate compositions, quillpens, tooth picks, brushes, toilet requisites and preparations, soap and washing materials, detergents, perfumes, proprietary articles and laboratory reagents
2. To carry on the business of manufacturers and producer of and dealers in the fats, fertilisers, manures dips, spray, disinfectants, vermicide, fungicides, pesticides and remedies of all kinds for agricultural fruit growing or other purposes or as remedies for men or animals and whether produce from vegetable or animal as matter or by any chemical process.

IV. The liability of the members is limited.

\*V. The Authorised Share Capital of the company is Rs. 56,30,00,000/- (Rupees Fifty Six Crore Thirty Lakhs only) comprising of:

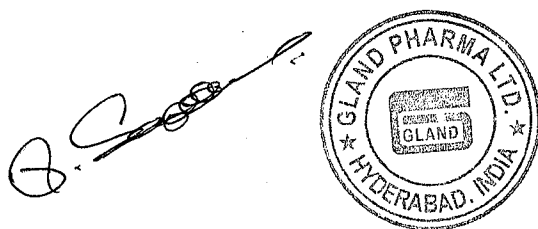
- a) 50,00,00,000/- (Fifty Crore only) Equity shares of INR. 1/- (Rupees One only) each, aggregating to INR 50,00,00,000/- (Rupees Fifty Crore only);



- b) 51,00,000 (Fifty One Lakhs only) '0.001% Compulsorily Convertible Non Cumulative Preference Shares' of Rs. 10/- (Rupees Ten only) each, aggregating to Rs. 5,10,00,000/- (Rupees Five Crore Ten Lakhs only);
- c) 12,00,000 (Twelve Lakhs only) '0.001% Redeemable Convertible Non Cumulative Preference Shares' (RCPS) of Rs. 10/- (Rupees Ten only) each, aggregating to Rs. 1,20,00,000/- (Rupees One Crore Twenty Lakhs only)

The shares in the capital of the Company for the time being whether original or increased may be divided or reclassified into several classes with any preferential, qualified or other special rights, privileges, conditions or restrictions attached thereto, whether in regard to dividend, voting, return of capital or otherwise. The Company shall have power to increase, classify, re- classify, convert or redeem the existing Authorised Share Capital. If and whenever the capital of the company is divided into shares of different classes, the rights of such classes may be varied, modified, affected, extended, abrogated or surrendered as provided in the regulations registered herewith or by the terms of the further or otherwise."

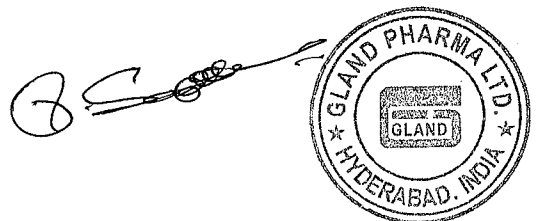
***\*The Authorized Share Capital has been subdivided and increased from Rs. 24,30,00,000 to Rs. 56,30,00,000 vide Special Resolution passed at the Extraordinary General Meeting held on 17<sup>th</sup> March, 2020***



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

Sl.No.	NAME, ADDRESS AND DESCRIPTION AND OCCUPATION OF SUBSCRIBERS AND SIGNATURES	SIGNATURE	NO. OF EQUITY SHARES TAKEN BY EACH SUBSCRIBER	NAME, ADDRESSES, OCCUPATION AND DESCRIPTION OF WITNESSES WITH SIGNATURE
1.	Manthena Venkatapathi Raju S/o. Ramachandra Raju, No.2, P.W.D. Quarters, Kundan Bagh, Hyderabad - 500 016  Medical Practitioner	Signed	One	Signed  N.BUDDHA RAJU (Buddha Raju Narasimha Raju)  S/o Viswanatha Raju Chartered Accountant,
2.	Penmatcha Radha Krishna Appala Raju S/o.Ramabadra Raju 2-1-195/2, Nallakunta, Hyderabad - 500 044.  Business	Signed	One	Room Nos.4&5 (2 <sup>nd</sup> Floor) 5-9-250, Unity House, Abids Road, Hyderabad – 500 001.
	Total No. of Shares taken		Two Equity Shares	

Dated at Hyderabad on this Eighth day of March 1978.





**THE COMPANIES ACT, 2013**  
**(COMPANY LIMITED BY SHARES)**  
**ARTICLES OF ASSOCIATION**  
**OF**  
**GLAND PHARMA LIMITED**  
**PRELIMINARY**

**1. OVERRIDING PROVISIONS**

- a) The regulations contained in Table "F" of the first schedule to the Companies Act, 2013, shall not apply to the Company (as defined under Part A of these Articles) and these Articles (as defined under Part A) shall be the regulations for the management of the Company and for the observance of its members and their representatives.
- b) Notwithstanding anything contained in this Article 1 and the other provisions of these Articles, the provisions of Part B and Part C of the Articles of Association and Articles 1 (c) to (o) shall automatically terminate and cease to have any force and effect, without any further action, including any corporate action, by the Company or by the Shareholders from the date of receipt of final listing and trading approvals from each of the Recognised Stock Exchanges for the listing and trading of the equity shares of the Company pursuant to an initial public offering of equity shares of the Company, and the provisions of Part A shall continue to be in effect and in force, without any further action, including any corporate action, by the Company or by the Shareholders.
- c) Notwithstanding anything contained in the other provisions of these Articles:
  - (i) the provisions of Part A of these Articles and Articles 195 to 298 (Part B) shall govern the relationship between (i) the Acquirer (as defined under Part A of these Articles), (ii) the Company, and (iii) the Continuing Shareholders (as defined in Part B), and shall prevail in relation to any matters concerning the Company, the Continuing Shareholders and the Acquirer notwithstanding anything to the contrary contained in any of the other provisions of these Articles (including Part C);
  - (ii) save as expressly set out in Article 1(c), the Existing Investors (as defined under Part C of these Articles) shall not have any rights, privileges, obligations or liabilities under Part B of these Articles and shall be governed by the provisions of Part A and Part C of these Articles;
  - (iii) in the event of any conflict between the provisions of Part A and Part B of these Articles, the provisions of Part B shall prevail;
  - (iv) subject to Article 1(c), the provisions of Articles 299 to 377 (Part C of these Articles) shall govern the tri-partite relationship between (i) the Acquirer, (ii) the Company, and (iii) Existing Investors, shall prevail in relation to any

matters concerning the Company, Existing Investors and the Acquirer;

- (v) save as expressly set out in Articles 354 to 365, Continuing Shareholders shall not have any rights, privileges, obligations or liabilities under Part C of these Articles; and
  - (vi) in the event of any conflict between the provisions of Part A and Part C of these Articles, the provisions of Part C shall prevail.
- d) The provisions of Articles 201 to 235 and Articles 241 to 244 shall bind all the Shareholders (as defined under Part A of these Articles).
- e) The provisions contained in Part B of these Articles are in addition to the rights and obligations of the parties under the Promoter SHA (as defined under Part B of these Articles), and the non-inclusion of any provision of the Promoter SHA in these Articles shall not prejudice or affect the enforceability of the Promoter SHA.
- f) The provisions of Part B of these Articles shall not be construed to amend or modify the provisions of Part C of these Articles, the Promoter SHA, Existing Investors' SHA (as defined under Part C of these Articles), the Tag Along Agreement (as defined under Part C of these Articles) or constitute a waiver or other limitation of any rights of the parties under the aforesaid.
- g) If any provisions of Part B of these Articles, at any time conflict with any provisions of the Promoter SHA, the Promoter SHA shall prevail and the Shareholders shall whenever necessary exercise all voting and other rights and powers available to them to procure the amendment, waiver or suspension of the relevant provisions of Part B of these Articles, to the extent necessary to permit the affairs of the Company to be administered as provided in the Promoter SHA.
- h) Any notice required to be given under the terms of Part B of these Articles, shall be given in accordance with Clause 22 of the Promoter SHA.
- i) Part B of these Articles shall be interpreted in accordance with Clause 1.2 of the Promoter SHA.
- j) It is clarified that the provisions contained in Part C of these Articles are in addition to the rights and obligations of the parties under the Existing Investors' SHA, and the non-inclusion of any provision of the Existing Investors' SHA in these Articles shall not prejudice or affect the enforceability of the Existing Investors' SHA.
- k) The provisions of Part C of these Articles shall not be construed to amend or modify the provisions of Part B of these Articles, the Promoter SHA, Existing Investors' SHA and the Tag Along Agreement or constitute a waiver or other limitation of any rights of the parties under the aforesaid.
- l) If any provisions of Part C of these Articles, at any time conflict with any provisions of the Existing Investors' SHA or the Tag Along Agreement, the Existing Investors' SHA or the

Tag Along Agreement (as the case maybe) shall prevail and the Acquirer and the Existing Investors shall whenever necessary exercise all voting and other rights and powers available to them to procure the amendment, waiver or suspension of the relevant provisions of these Articles, to the extent necessary to permit the affairs of the Company to be administered as provided in the Existing Investors' SHA.

- m) Any notice required to be given under the terms of Part C of these Articles, shall be given in accordance with Clause 23 of the Existing Investors' SHA.
- n) Part C of these Articles shall, where the context admits, be interpreted in accordance with Clause 1.2 of the Existing Investors' SHA.
- o) Subject to Applicable Law, each Shareholder shall be entitled to waive its rights as set forth in these Articles by providing reasonable prior written notice of the same to all other Shareholders. No waiver of any breach of any provision of these Articles shall constitute a waiver of any prior, concurrent or subsequent breach of the same or any other provisions hereof, and no waiver shall be effective unless made in writing and signed by an authorized representative of the waiving Shareholder.

## **PART A**

### **INTERPRETATION**

2. For the purposes these Articles, the following terms used shall have the meanings assigned against them:

**"Act"** means the Companies Act, 2013 (to the extent notified by the Government of India and currently in force) and rules enacted thereunder, as applicable and any other statutory amendment or re-enactment thereof;

**"Acquirer"** means Fosun Pharma Industrial Pte. Ltd.;

**"Applicable Law"** means, with respect to any Person, any transnational, domestic or foreign, federal, state, provincial or local law (statutory, common or otherwise), constitution, treaty, convention, ordinance, code, rule, regulation, executive order, injunction, judgment, decree, ruling or other similar requirement enacted, adopted, promulgated or applied by a Governmental Authority that is binding upon or applicable to such Person;

**"Articles"** means these articles of association of the Company;

**"Board"** or the **"Board of Directors"** means the board of Directors of the Company as constituted from time to time;

**"Charter Documents"** shall mean the Memorandum and these Articles;

**"Company"** means Gland Pharma Limited.;

**"Director"** means a director for the time being of the Company;

**"Equity Security(ies)"** shall mean the Company's Equity Shares and instruments, options, warrants, convertible shares, convertible debentures, convertible bonds or other securities that are convertible into, or exercisable or exchangeable for Equity Shares of the Company;

**"Equity Shares"** means the Company's equity shares, each with a face value of Re. 1 (Rupee One);

**"Governmental Authority"** means any transnational or supranational, domestic or foreign federal, state, provincial or local governmental, regulatory, judicial, quasi-judicial or administrative authority, department, court, arbitral body or stock exchange, including any department, commission, board, agency, bureau, subdivision or instrumentality thereof;

**"Memorandum"** means the memorandum of association of the Company;

**"Person"** shall mean any natural person, Hindu undivided family, proprietorship, partnership (whether with limited liability or otherwise), limited or unlimited liability company, corporation, Governmental Authority, joint venture, trust, union, association or other entity (whether or not having separate legal personality) that may be treated as a person under Applicable Law;

**"Seal"** means the common seal of the Company;

**"Shareholders"** shall mean a holder of Equity Securities; and

**"Security(ies)"** shall have the meaning ascribed to it under the Act and shall include the shares of the Company.

3. Unless the context otherwise requires, words or expressions contained in these Articles, shall have the same meaning as in the Act, or any statutory modification thereof in force at the date at which these Articles become binding on the Company.
4. Words importing the singular shall include the plural and vice versa; words importing the masculine gender shall include the feminine gender and words importing persons shall include bodies corporate and all other persons recognized by Applicable Law as such.
5. "month" and "year" means a calendar month and calendar year respectively, unless specified expressly in these Articles.
6. Expressions referring to writing shall be constructed as including a reference of printing, lithography and other modes of representing or reproducing words in visible form.

## **SHARE CAPITAL AND VARIATION OF RIGHTS**

7. The authorized share capital of the Company shall be such amounts and be divided into such

classes and kinds of Security(ies) as may, from time to time, be provided in Clause V of the Memorandum. The Company at a general meeting may, from time to time, increase or reduce the authorized share capital in accordance with these Articles and the Act, with the powers to divide the share capital into several classes and attach thereto respectively such ordinary, preferential or special rights and conditions, as permitted by Applicable Law.

8. Subject to the provisions of these Articles, the Board may from time to time with the sanction of the Company in the manner permitted under the Act, increase the share capital of the Company by such sum, to be divided into shares of such amount and of, such class with such rights and privileges attached thereto as may be determined by the Board.
9. Except so far as otherwise provided by the conditions of issue or by these Articles, any capital raised by the creation of new Securities, 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.
10. Subject to the provisions of the Act and these Articles, the Company shall have power to issue preference shares, which are, or which at the option of the Company are, liable to be redeemed or converted into Equity Shares and the resolution authorising such issue shall prescribe the manner and the terms and conditions of redemption/conversion, if any. Provided, further, on the issue of redeemable preference shares under the provisions of Article 10 hereof, the following provisions shall take effect:
  - (a) no such redeemable preference share 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 purpose of redemption;
  - (b) no such redeemable preference shares shall be redeemed unless they are fully paid; and
  - (c) where any redeemable preference shares are proposed to be redeemed out of the profits of the Company, there shall, out of profits, be transferred, a sum equal to the nominal amount of the shares to be redeemed, to a reserve fund, to be called the “Capital Redemption Reserve Account”, and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in the Act, apply, as if the Capital Redemption Reserve Account were paid-up share capital of the Company.
11. The Company may, subject to the provisions of the Act and these Articles, from time to time by way of a special resolution:
  - (a) reduce its share capital in any way, and in particular and without prejudice to the generality of the foregoing:
    - (i) extinguish or reduce the liability on any of its shares in respect of share capital not paid up; and

- (ii) either with or without extinguishing or reducing the liability on any of its shares, payoff any paid up share capital which is in excess of the wants of the Company, and may, so far as is necessary, on any of its shares accordingly;
  - (b) reduce in any manner:
    - (i) any capital redemption account; and
    - (ii) any share premium account.
12. Subject to the provisions of Section 61 of the Act and such other provisions of the Act as may be applicable, the Company may from time to time, by passing an ordinary resolution:
- (a) increase its authorised share capital by such amount as it deems 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 Securities into stock, and reconvert that stock into fully paid-up Securities of any denomination;
  - (d) sub-divide its Securities or any of them into Securities of smaller amount than 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 Security shall be the same as it was in the case of the Security from which the reduced Security is derived; and / or
  - (e) cancel any Securities which, at the date of passing of the resolution in that behalf have not been taken or agreed to be taken by any person, and diminish the amount of the total value of Securities by the amount of the Securities so cancelled.
13. Subject to the provisions of the Act and these Articles, the shares in the share capital of the Company (including any shares forming part of any increased share capital of the Company) and the other Securities shall be under the control of the Directors, who may allot or otherwise dispose of the same to such persons, in such proportion and on such terms and conditions, and either at a premium or at par and at such times as the Directors think fit, and in any manner as may be permitted under the Act, including by way of a preferential allotment / private placement basis.
14. Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the share capital of the Company and other Securities in payment or part payment or for any property sold or transferred, goods or machinery supplied or for services rendered to the Company, or the conduct of its business and any shares, which may be so allotted, shall be issued as fully paid up Securities, including without limitation on a preferential allotment / private placement basis, and with the sanction of the Company in general meeting to give to any person the option to call for or be allotted Securities of any class of the Company either at par or at premium during such time and for such consideration and such option

being exercisable at such times as the Directors think fit, and any Securities which may be so allotted may be issued, as fully paid-up Securities and if so issued shall be deemed to be fully paid-up Securities. The Board shall cause the Company to file the return of allotments as required under the Act.

15. (a). Subject to the provisions of the Act and these Articles, the Board shall have the power to issue new Equity Shares, warrants and / or other Securities (including debentures) entitling the holder thereof to subscribe to Equity Shares, and/or other Securities of the Company, at such price, at such times and on such terms and conditions and with such rights and privileges as may be specified in the resolution issuing and allotting the warrants / other Securities, in any manner as permitted under the Act, including by way of preferential allotment / private placement basis.

- (b). Where at any time the Board or the Company, as the case may be, propose to increase the subscribed capital by the issue of further shares then such shares shall be offered, subject to the provisions of section 62 of the Act, and the rules made thereunder:

(A)

- (i) to the persons who at the date of the offer are holders of the Equity Shares of the Company, in proportion as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the conditions mentioned in (ii) to (iv) below;
- (ii) The offer aforesaid shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days and not exceeding thirty days from the date of the offer, within which the offer if not accepted, shall be deemed to have been declined.

Provided that the notice shall be dispatched through registered post or speed post or through electronic mode or courier or any other mode having proof of delivery to all the existing shareholders at least three days before the opening of the issue;

- (iii) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice referred to in sub-clause (ii) shall contain a statement of this right;
- (iv) After the expiry of time specified in the notice aforesaid or on receipt of earlier intimation from the person to whom such notice is given that the person declines to accept the shares offered, the Board of Directors may dispose of them in such manner which is not disadvantageous to the Members and the Company;

- (B) to any person(s), if it is authorised by a special resolution, whether or not those persons include the persons referred to in clause (A) 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 such conditions as may be prescribed under the Act and the rules made thereunder;

(1) Nothing in sub-clause (iii) of Article 15(b)(A) shall be deemed:

- (i) To extend the time within which the offer should be accepted; or
- (ii) To authorize any person to exercise the right of renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the shares compromised in the renunciation.

(2) Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option as a term attached to the debentures issued or loans raised by the Company to convert such debentures or loans into shares in the Company or to subscribe for shares of the Company:

Provided that the terms of issue of such debentures or loans include a term providing for such option and such term: (a) either has been approved by the Government before the issue of debentures or the raising of the loans or is in conformity with rules, if any, made by the Government in this behalf; and (b) in the case of debentures or loans or other than debentures issued to or loans obtained from the Government or any institution specified by the Government in this behalf, has also been approved by the special resolution passed by the company in the general meeting before the issue of the loans.

16. Notwithstanding anything contained in these Articles, but subject to the provisions of the Act, the Board of Directors are empowered without any prior sanction of the members to dematerialize and rematerialize the Securities of the Company and issue/allot fresh Securities in dematerialized form pursuant to the Depositories Act, 1996 and the rules framed thereunder, if any. The Board of Directors are also empowered to determine the terms and conditions thereof pursuant to the provisions of the Depositories Act, 1996 and rules framed thereunder. Provided, further, the Board or the Company, as the case may be, may, in accordance with the Act and the Rules, issue further Securities to employees of the Company under an employees' stock option scheme in accordance with the Act. Every person subscribing to or holding securities of the Company shall have the option to receive the security certificate or hold securities with a Depository. Where a person opts to hold a security with the Depository, the Company shall intimate such Depository of the details of allotment of the security and on receipt of such information, the Depository shall enter in its Record, the name of the allottees as the beneficial owner of that Security.
17. Any application signed by or on behalf of any applicant for Securities in the Company, followed by an allotment of any Security therein, shall be an acceptance of Securities within the meaning of these Articles; and every person who, thus or otherwise accepts any shares and whose name is on the register shall, for the purpose of these Articles, be a member.
18. Every member, or his heirs, executors or administrators, shall pay to the Company the portion of the Securities which may, for the time being remain unpaid thereon, in such amounts, at such time and such manner as the Board shall, from time to time, in accordance with these



Articles require or fix for the payment thereof.

19. If any Security stands in the names of two or more Persons all the joint holders of the Security shall be severally as well as jointly liable for the payment of all deposits, instalments, and calls due in respect of such Securities, and for all incidents thereof according to the Company's regulations, but the person first named in the register of members shall, as regards receipt of dividend or bonus or service of notice, and all or any other matter connected with the Company, except voting at meetings and the transfer of the Securities, and any other matter by the Act or herein otherwise provided, be deemed the sole holder thereof.
20. Except as ordered by a court of competent jurisdiction or as required by Applicable Law, the Company shall not be bound to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any Security or (except only as is by these Articles otherwise expressly provided) any right in respect of a Security other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as the holder thereof; but the Board shall be at liberty at their sole discretion to register any Security in the joint names of any two or more persons or the survivor or survivors of them.
21. Except as required by Applicable Law, no person shall be recognised by the Company as holding any Security upon any trust, and the Company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable contingent, future or partial interest in any Security or any interest in any fractional part of a Security or (except only as by these Articles or by law otherwise provided) any other rights in respect of any Security except or absolute right to the entirety thereof in the registered holder.
22. The rights conferred upon the holders of the Securities of any class issued with preferred or other rights shall not unless otherwise expressly provided by the terms of issue of the Securities of that class, be deemed to be varied by the creation of issue of further Securities ranking *pari passu* therewith.
23.
  - (a) The rights and privileges if any, attached to the different classes of Security holders for the time being (unless otherwise provided by the terms of issue of the Securities of that class) may, subject to the provisions of the Act and these Articles, and whether or not the Company is being wound up, be varied, modified or affected with the consent in writing of the holders of three-fourths of the issued Securities of that class, or with the sanction of a special resolution passed at a separate general meeting of the holders of the issued Securities of that class.
  - (b) To every such separate general meeting, the provisions set out in Part A and Part B of these Articles relating to general meetings, as applicable, shall *mutatis mutandis* apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.
24. Subject to the provisions of the Act, these Articles, approvals, permissions, consents and sanctions from the concerned authorities and departments, including the Securities and Exchange Board of India and the Reserve Bank of India, wherever necessary, the Company

may, by passing a special resolution at a general meeting or, in accordance with Applicable Law, by passing a resolution at a Board meeting, purchase its own Securities (hereinafter referred to as 'buy-back') from its existing security holders in accordance with the Act and these Articles.

### **BROKERAGE AND COMMISSION**

25. The Company may exercise the powers of paying commission conferred by sub-section (6) of Section 40 of the Act, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that Section and rules made thereunder.
26. The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of Section 40 of the Act.
27. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid Securities or partly in one way and partly in the other.
28. The Company may also on any issue of Securities (including debentures) pay such brokerage as may be lawful.

### **CONVERSION OF SHARES INTO STOCK**

29. Subject to the provisions of the Act, the Company may by passing an ordinary resolution:
  - (a) convert any paid up Securities into stock; and
  - (b) re-convert any stock into paid up Securities of any denomination.
30. The holder of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the Security from which the stock arose might, before the conversion have been transferred, or as near thereto as circumstances admit. Provided that the Board may, from time to time, fix the minimum amount of stock transferable, however, that such minimum shall not exceed the nominal amount of the Securities from which the stock arose.
31. The holder of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meeting of the Company, and other matters, as if they held the Securities from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets of the Company on a winding up) shall be conferred by an amount of stock which would not, if existing in Securities, have conferred that privilege or advantage.
32. Such of these Articles (other than those relating to the share warrants) as are applicable to paid up Securities shall apply to stock and the word "share", "Security", "shareholder" and "security holder" in these Articles shall include "stock" and "stockholder" respectively.

### **SHARE CERTIFICATE**

33. The Company shall cause a register of members to be kept in accordance with the provisions of Section 88 of the Act. The details of shares held in material and dematerialized forms may be maintained in such media as permitted by Applicable Law including in any form of electronic media. All securities held by a Depository shall be dematerialized and held in electronic form. No certificate shall be issued for the securities held by the Depository. The register and index of beneficial owner maintained by a depository under Section 11 of the Depositories Act, 1996 shall be deemed to be the register and index of members for the purposes of the Act and these Articles.
34. Every person whose name is entered as a member in the register of members be entitled to receive within one month after the application for the registration of the transfer or transmission of any share (or with such other period as the conditions of issue shall provide):
- (a) one certificate for all his shares without payment of any charges; or
  - (b) several certificates, each for one or more of his shares, upon payment of twenty rupees for every certificate after the first.
35. Every share certificate shall be numbered, shall specify the shares to which it relates and the amount paid up thereon and shall be issued under the Seal (if any) and shall be signed by two Directors and secretary or any other person authorised for the purpose by the Board of Directors, particulars of every share certificate issued shall be entered in the register of members against the name of the person to whom it has been issued indicating the date of issue.
36. Every certificate shall be under the Seal and shall specify the shares to which it relates and the amount paid thereon.
37. In respect of any 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 for a share to one of several joint holders, shall be deemed to be sufficient delivery to all such holders.
38. If any share certificate be worn-out or defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then, upon production and surrender thereof to the Company, the Company may order the same to be cancelled and a new certificate may be issued in lieu thereof, and if any certificate be lost or destroyed then, upon proof thereof to the satisfaction of the Company and on such indemnity as the Company deems adequate, a new certificate in lieu thereof shall be given to the registered holder of the shares to which such lost or destroyed certificate shall relate. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.
39. If any share stands in the name of two or more persons, the person first named in the register shall be deemed the sole holder thereof as regards receipt of dividend, the service of notices, and subject to provisions of these Articles, all or any other matter connected with the Company except the issue of share certificates, voting at meeting, and the transfer of the shares.

40. Except as ordered by a court of competent jurisdiction or by applicable law required and subject to the provisions of the Act, the Company shall be entitled to treat the person whose name appears on the applicable register as the holder of any security or whose name appears as the beneficial owner of any security 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 securities or (except only as by these Articles otherwise expressly provided) any right in respect of a security other than an absolute right thereto in accordance with these Articles, on the part of any other person whether or not it has expressed or implied notice thereof but the Board shall at their sole discretion register any security in the joint names of any two or more persons or the survivor or survivors of them.
41. The provisions of these Articles relating to share certificates shall *mutatis mutandis* apply to debentures of the Company and certificates relating to all other Securities of the Company, except where the Act or rules otherwise provide.

### **TRANSFER OF SECURITIES**

42. (a) The Company shall keep a register of transfers and therein, shall fairly and distinctly enter particulars of every transfer or transmission of any Security.
- (b) Notwithstanding anything contained in the Act or these Articles, where securities are held by a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronic mode or by delivery of floppies or discs or any such other means.
- (c) Every depository shall maintain a register and an index of beneficial owners provided in Section 88 of the Act.
- (d) The Company shall not be required to maintain register of transfers for entering particulars of transfers and transmissions of securities in dematerialized form.
43. The Company shall not register a transfer of Securities of, the Company held in physical form, unless a proper instrument of transfer as prescribed under the Act, duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee, has been delivered to the Company along with the certificate relating to the Securities, or if no such certificate is in existence, along with the letter of the allotment of the Securities or debentures. The transferor shall remain the holder of such Securities unless the name of the transferee is entered in the register in respect thereof. Nothing contained herein shall apply to dematerialised Securities.
44. Securities in physical form in the Company shall be transferred by an instrument in writing in such form as is prescribed under Section 56 of the Act or under rules made thereunder from time to time.
45. (a) The instrument of transfer duly stamped and executed by the transferor and the transferee shall be delivered to the Company in accordance with the provisions of

the Act. The instrument of transfer shall be accompanied by such evidence as the Board may require to prove the title of the transferor and his right to transfer the Securities and every registered instrument of transfer shall remain in the custody of the Company until destroyed by an order of the Board. The transferor shall be deemed to be the holder of such Securities until the name of the transferee shall have been entered in the register of members in respect thereof. Before the registration of a transfer, the certificate or certificates of the Securities must be delivered to the Company.

- (b) Nothing contained in Section 56 of the Act or the Articles which are inconsistent with the provisions of Depositories Act, 1996 shall apply to a transfer of Securities effected by a transferor or transferee both of whom are entered as beneficial owners in the records of a depository.
  - (c) Every depository shall, on receipt of intimation from a depository participant, register the transfer of Security in the name of the transferee.
  - (d) Notwithstanding anything contained in these Articles, in the case of transfer or transmission of Securities where the Company has not issued any certificates and where such Securities are being held in an electronic and fungible form by a depository, the provisions of the Depositories Act, 1996 shall apply.
46. Subject to the provisions of Section 56 and other applicable provisions of the Act, the Board, may at its own absolute and uncontrolled discretion, decline to register or acknowledge any transfer of Securities whether fully paid or not, (notwithstanding that the proposed transferee be already a member), but in such cases it shall, within 30 (thirty) days from the date on which the instrument of transfer was lodged with the Company, send to the transferee and the transferor, notice giving reasons for such refusal to register such transfer. Provided that registration of a transfer shall not be refused on the ground that the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except a lien on Securities. The Board may decline to recognize any instrument of transfer unless the instrument of transfer: (a) is in the form as prescribed in the rules made under Section 56(1); (b) is accompanied by the certificate of the Security to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and (c) is in respect of only one class of Securities.
47. Every instrument of transfer duly stamped shall be left at the office for registration accompanied by the certificates of the Securities to be transferred and any other evidence that the Board may require to prove the title of the transferor his right to transfer the Securities together with fee hereinafter mentioned. The instrument of transfer, unless declined by the Board to be registered, be retained, by the Company.
48. No fee will be charged by the Company for transfer and transmission of Securities. No fee shall be charged for registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar other

document.

49. The registration of transfers may be suspended at such time and for such duration as the Board may from time to time, determine after giving not less than 7 (seven) days' previous notice by advertisement in some newspapers circulated locally where the registered office of the Company, is situated. Provided that such registration shall not be suspended for more than 30 (thirty) days at one time and 45 (forty-five) days in a year.

### **TRANSMISSION OF SECURITIES**

50. (a) On the death of a member, the survivor or survivors where the member was a joint holder, and his legal representatives where he was a sole holder, shall be the only persons recognised by the Company as having any title to his / her interest in the Securities.
- (b) Nothing in Article 50 (a) above shall release the estate of a deceased joint holder from any liability in respect of any Security, which had been jointly held by him with other persons.
51. (a) Subject to the provisions of the Act and these Articles, any person becoming entitled to any Security in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect either:
- (i) to be registered himself as holder of the Security; or
- (ii) to make such transfer of the Security as the deceased or the insolvent member could have made.
- (b) The Board shall in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the Security before his death or insolvency.
52. (a) If the person so becoming entitled shall elect to be registered as holder of the Security himself, and shall deliver or send to the Company a notice in writing signed by him stating that he so elects.
- (b) If the person aforesaid shall elect to transfer the Security, he shall testify his election by executing an instrument of transfer of the Security.
- (c) All the limitations, restrictions and provisions of these articles relating to the right of transfer and the registration of transfer of Securities shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency or the member had not occurred and the notice or transfer were a transfer signed by that member.
53. A person becoming entitled to any Security by reason of the death or insolvency 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 Security, except that he shall not before being registered

as a member, in respect of the Security be entitled 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 transfer the Security, and if the requirements of the notice are not complied with within 90 (ninety) days, the Board may, thereafter, withhold payment of all dividends, bonus, or other monies payable in respect of the Security until the requirements of the notice have been complied with.

54. (a) The Company shall not incur any liability or responsibility whatever in consequence of its registering or giving effect to any transfer of Securities made or purposing to be made by an apparent legal owner thereof (as shown or appearing in the register of members) to the prejudice of persons having claim equitable right title or interest to or in the same Securities, notwithstanding that the Company may have 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 attend to give effect to any notice which may have 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 think fit.
- (b) The provision of these Articles shall apply *mutatis mutandis* to the transfer of or the transmission by operation of Applicable Law of the right to, debenture(s) of the Company.

### CALL ON SECURITIES

55. Subject to provisions of Article 14, the Board shall make, on the issue of Securities, calls for the capital on a uniform basis on all Securities falling under the same class.
56. The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their Securities (whether on account of the nominal value of the Securities or by way of premium) and not by the conditions of allotment thereof made payable at fixed times: provided that no call shall exceed one-fourth of the nominal value of the Security or be payable at less than 1 (one) month from the date fixed for the payment of the last preceding call. A call may be made payable in instalments. Each member shall, subject to receiving at least 14 (fourteen) days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his Securities. A call may be revoked or postponed at the discretion of the Board.
57. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments.
58. [NOT USED]
59. (a) Any amount which by the terms of issue of a Security becomes payable on allotment or at any fixed date, whether on account of the nominal value of the Securities or by way of premium, shall, for purposes of these Articles, be deemed to be a call duly

made and payable on the date on which the amount becomes payable by the terms of issue.

- (b) In case of non-payment of such sum, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such amount had become payable by virtue of a call duly made and notified.
60. If any member fails to pay any call, due from him on the day appointed for payment thereof, or on 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 9% (nine percent) per annum or at such other rate as shall, from time to time, be fixed by the Board; but nothing in this Article 60 shall render it obligatory for the Board to defend or recover any interest from any such member and the Board shall be at liberty to waive payment of such interest either wholly or in part.
61. On the trial or hearing of any action of the recovery of any money due on any call brought by the Company against a member (or the member's representative), it shall be sufficient for the Company to prove that the name of the member used is entered in the register as the holder or one of the holders of the Securities in respect of which such debt has accrued; that the resolution, making the call, is duly recorded in the minutes book or the notice, if any, of such call was duly given to the members being sued pursuant to these Articles, and it shall not be necessary to prove any other matter whatsoever by the proof of the matters aforesaid shall be conclusive evidence of the debt.
62. Subject to the provisions of the Act, the Board:
- (a) may, if it thinks fit, agree to and receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any Securities held by him; and
  - (b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate as may be agreed upon between the Board and the member paying the sum in advance.

The members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable. The provisions of this Article shall *mutatis mutandis* apply to the calls on debentures of the Company.

63. The joint holders of Securities shall be jointly and severally liable to pay all calls in respect thereof.
64. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at 10% per annum or at such lower rate, if any, as the Board may determine. The Board may without the consent of the member apply any amount due by the Company to such member, in or towards payment of any amount due to the Company on account of calls or otherwise. The Board shall be at



liberty to waive payment of any such interest wholly or in part.

## **LIEN ON SECURITIES**

65. Subject to the provisions of the Act, the Company shall have a first and paramount lien on every Security / debenture (not being a fully paid share / debenture) registered in the name of each Member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called, or payable at a fixed time, in respect of that share / debenture and no equitable interest in any share shall be created upon the footing and condition that this Article will have full effect. Unless otherwise agreed the registration of transfer of Securities / debentures shall operate as a waiver of the Company's lien, if any, on such Securities / debentures.

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

The fully paid up Securities shall be free from all lien and in the case of partly paid up Securities the Company's lien shall be restricted to moneys called or payable at a fixed time in respect of such Securities.

66. The Company's lien, if any, on Securities shall extend to all dividends payable and bonuses declared from time to time in respect of such Securities.
67. The Company may sell, in such manner as the Board thinks fit, any Security on which the Company has a lien, provided that no sale shall be made:
- (a) unless a sum in respect which the lien exists is presently payable; or
  - (b) until the expiration of 14 (fourteen) days after a notice in writing demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to registered holder for the time being of the Security or the person entitled thereto by reason of his death or insolvency and stating that if the amount so demanded is not paid within the period specified, at the registered office of the Company, the said Securities shall be sold

To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares comprised in any such transfer. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

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

69. Upon any sale after forfeiture or enforcing a lien in exercise of the powers herein before given; the Board may authorise some person to execute an instrument of transfer of the Securities sold, and cause the purchaser's name to be entered in the register in respect of the Securities sold, and the purchaser shall not be bound to see to the regularity of the proceedings, or to the application of the purchase money and after his name has been entered in the register in respect of such Securities, the validity of the sale shall not be disputed by any person as irregularity or invalidity in the proceedings in reference to the sale and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

### **FORFEITURE OF SECURITIES**

70. If any member fails to pay any call, instalment or any interest thereon or any amount whatsoever due to the Company, on or before the day appointed for payment of same, or any such extension thereof as aforesaid, whether demanded or not by the Company, the Board may, at any time thereafter and during such time, as the call, instalment interest or such amount, remains unpaid, serve a notice on such member or any person, if any, entitled to the Security by transmission requiring him to pay the amount due, together with any interest that may have accrued by reason of such non-payment.
71. The notice shall name a further day (not being less than 14 (fourteen) days from the date of service of the notice) on or before which the payment required by the notice is to be made. The notice shall also state that in the event of non-payment at the time and at the place appointed, the Securities in respect of which such call was made or instalment is payable, will be liable to be forfeited.
72. If the requirements of the notice as aforesaid are not complied with any Securities in respect of which such notice has been given, may, at any time thereafter, before payment of all calls, instalments, interest and expenses due in respect thereon, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends and bonuses declared in respect of the forfeited Shares and not actually paid before the forfeiture.
73. Any Security so forfeited shall be deemed to be the property of the Company and the Board may sell, re-allot or otherwise dispose of a forfeited Security either to the original holder thereof or to any other person in such manner as it thinks fit.
74. The Board may at any time before any Security so forfeited shall have been sold re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.
75. (a) A person whose Securities have been forfeited shall cease to be a member in respect of the forfeited Securities, but shall notwithstanding the forfeiture remain liable to pay to the Company all monies which at the date of forfeiture were presently payable by him to the Company in respect of the Securities together with interest thereon from the time of forfeiture until payment at such rate set out in Article 60 hereto, unless determined otherwise by the Board.
- (b) The liability of such person shall cease only if and when the Company shall have

received payment in full of all such monies in respect of the Securities.

(c) The Board may enforce the payment of monies so due.

76. Either a judgment or decree in favour of the Company for call or other monies due on any Securities, or any part payment or satisfaction thereof or the receipt by the Company of a portion of any money which shall from time to time be due from any member on his Securities, either towards principal or interest or any indulgence granted by the Company in regard to payment of any such money shall not preclude the Company thereafter from proceeding to enforce forfeiture of such Securities as herein provided.
77. A duly verified declaration in writing that the declarant is a Director or the secretary of the Company and that a Security in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the fact therein stated as against all persons claiming to be entitled to the Security.
78. 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 relative Securities shall (unless the same shall on deemed by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new certificate or certificates in respect of the said Securities to the person or persons entitled thereto.
79. The Company may receive the consideration, if any, given for the Security on any sale or disposal, thereof, and may execute a transfer of the Security as sold or disposed and, the transferee shall thereupon be registered as the holder of the Security.
80. The transferee shall not be bound to see to the application of the purchase money if any or nor shall his title to the Security be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the Security.
81. Any sum which by the terms of issue of a Security becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable. The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a Security, becomes payable at a fixed time, whether on account of the nominal value of a Security or by way of premium, as if the same had been payable by virtue of a call made and notified.

#### **SURRENDER OF SECURITIES**

82. Subject to the provisions of the Act, the Board may accept from any member, the surrender of any Securities on such terms and conditions as it deems fit.

#### **ANNUAL GENERAL MEETINGS**

83. Every annual general meeting shall be called for at a time during business hours on a day that

is not a public holiday and shall be held either at the registered office of the Company or subject to Applicable Law, at such other place as specified in the notice calling for the annual general meeting.

#### **EXTRA-ORDINARY GENERAL MEETINGS**

84. (a) All general meetings other than annual general meetings shall be called extra-ordinary general meetings.
- (b) The Board may, whenever it thinks fit, call an extra-ordinary general meeting and it shall do so, upon a requisition made in writing by any member or members holding in the aggregate, not less than one-tenth of such of the paid-up capital, as at that date carried the right of voting.
- (c) The requisition shall set out the matter for the consideration for which the meeting is so to be called and shall be signed by the requisitionists and deposited at the registered office of the Company. The requisition may consist of several documents in like form each signed by one or more requisitionists. Upon the receipt of any such requisition, the Board shall forthwith call an extra-ordinary general meeting and if it does 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 may themselves call the meeting, but in either case any meeting so called shall be held within 3 (three) months from the date of deposit of the requisition as aforesaid. A meeting duly commenced before the expiry of the period of 3 (three) months aforesaid may be adjourned to some day after the expiry of that period.
- (d) Any meeting called under this Article by the requisitionists shall be convened in the same manner as nearly as possible as that in which meetings are to be convened by the Board and shall be held at the office of the Company.
- (e) A requisition or notice by joint holders of shares may be signed by one or only some of them.
- (f) If at any time Directors capable of acting, who are sufficient in number to form a quorum are not within India, any Director of the Company may call an extra-ordinary general meeting in the same manner as early as possible, as that in which such a meeting may be called by the Board.
- (g) The extra-ordinary general meeting may be called at any day of the week and at any place unlike an annual general meeting.

#### **NOTICE OF GENERAL MEETINGS**

85. Subject to the provision of the Act or these Articles, the accidental omission to give notice to or the non-receipt of notice by any member or other person to whom it should be given shall not invalidate the proceedings of the meeting. Subject to Applicable Law, members may

participate in general meetings via video conferencing or any other means of contemporaneous communication permitted under the Act.

86. Where by any provision contained in the Act or in the Articles, special notice is required of any resolution; notice of the intention to move the resolution shall be given as provided in Part B of these Articles, as applicable.
87. Where any items of the business to be transacted at any meeting is deemed to be special as provided under Section 102 of the Act; there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each such item of business, including in particular the nature and extent of the interest, if any, therein, of every Director and the manager in relation to such matter, if any.
88. Where any item of the business consists of according approval to any document at the meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.
89. In every notice calling a meeting of any class of members having right to vote by proxy at the meeting, there shall appear with reasonable prominence a statement that a member entitled to attend and vote is entitled to appoint a proxy, who need not be a member of the Company.

#### **PROCEEDINGS AT GENERAL MEETINGS**

90. No business shall be transacted at any general meeting unless the quorum requisite under the Act and these Articles is present at the commencement of business.
91. The chairperson of the Board shall be the chairperson of the general meetings. If there is no such chairperson, or if he is not present within 15 minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the general meeting, the Directors present shall elect one of their members to be chairperson of the general meeting. If at any general meeting no Director is willing to act as chairperson or if no Director is present within 15 minutes after the time appointed for holding the general meeting, the Shareholders present shall choose one of their Shareholders to be chairperson of the meeting.
92. (a) 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.  
  
(b) The chairman shall have power, at any time before the result of the poll is declared, to remove scrutineers from office and to fill vacancy in the office of the scrutineers arising from such removal or from any other cause.  
  
(c) Of the two scrutineers appointed under this Article, one shall always be a member (not being an officer or employee of the Company) present at the meeting provided such a member is available and willing to be appointed.
93. At all the general meetings of the Company, all Shareholders shall have voting rights in proportion to the Equity Shares held by the Shareholders, regardless of whether voting is done by a show of hands or poll.

94. The demand for a poll shall not prevent the meeting from transacting any business other than the question on which a poll has been demanded. The chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. 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.
95. Where a resolution is passed at an adjourned meeting of:
- (a) the Company;
  - (b) the holders of any class of Securities in the Company; or
  - (c) the Board of Directors of the Company
- such resolution shall for all purposes be treated as having been passed on the date on which it was in fact passed and shall not be deemed to have been passed on any earlier date.
96. The Company shall cause minutes of all proceedings of general meetings to be entered into books / records of the Company maintained by Company in accordance with Section 118 of the Act.

### **VOTING RIGHTS OF MEMBERS AND PROXIES**

97. Subject to any rights or restrictions for the time being attached to any class or classes of shares:
- (a) on a show of hands, the voting rights of members shall be in proportion to his share in the paid up equity share capital of the Company; and
  - (b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the Company.
98. Vote may be given either personally or by proxy.
99. Any member of the Company entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person (whether a member or not) as his proxy to attend and vote instead of himself.
100. A proxy so appointed shall not have any right to speak at the meeting.
101. Subject to the Act, a member may exercise his vote at a meeting by electronic means in accordance with the provisions of the Act and shall vote only once.
102. A body corporate (whether a company within the meaning of the Act, or not) if it is, a member of the Company within the meaning of the Act, may by a resolution of its Board of

Directors, or other governing body, authorise such person as it thinks fit to act as its representative at a general meeting of the Company and such authorised person 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 the said body could exercise itself. A true copy of the resolution duly signed by the chairman or any Director of such body corporate shall be filed with the Company not less than 24 (twenty four) hours before the time fixed for holding the meeting.

103. No member shall be entitled to be present or to vote at any general meeting either personally or by proxy or attorney whilst any calls or other moneys are due and presently payable to the Company on the Securities of such member or in regard to which the Company has exercised any right of lien.
104. On a show of hands every member present in person and in the case of corporation by a representative appointed under Section 113 of the Act shall have one vote for every Equity Share held by such a member and upon a poll, every member holding ordinary shares and present in person or by proxy or attorney or by a representative under Section 113 of the Act shall have 1 (one) vote for every Equity Share held by such a member. The voting rights of preference shareholders shall be regulated in accordance with Section 47 of the Act.
105. Any person entitled to any shares may vote at any general meeting in respect thereof in the same manner as if he were the registered holder of such share provided that 48 hours before the commencement of the meeting or adjourned meeting, as the case may be at which he proposed to vote, he satisfies the Board of his right to such shares or the Board has previously admitted his right to vote at such meeting in respect thereof. If a person is lunatic or is of unsound mind he may vote by his committee or other legal guardian may vote by proxy; if any member, be minor, vote in respect of his share or shares shall be by his guardian, or any one of his guardians, if more than one, to be elected in case of dispute by the chairman of the meeting.
106. In the case of joint holders, the vote of the first named person in the register of members (between the joint holders) who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.
107. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
108. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of Securities in the Company have been paid.
109. The instrument appointing a proxy shall be in writing under the hand of the holder or his attorney in the form as prescribed under Section 105 of the Act.
110. The instrument appointing a proxy and the power of attorney or other authority if any, under which it is signed or a notarially certified copy of that power of authority (if required by the Company) shall be deposited at the office not less than 48 (forty eight) hours before the time for holding the meeting or adjourned meeting as the case may be at which the person

named in such instrument appointing a proxy shall be valid after the expiration of 12 (twelve) months from the date of its execution.

111. A vote given in accordance with the terms of power of attorney or of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the Securities in respect of which the proxy is given: provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.
112. A member may appoint a proxy through an instrument of proxy either for the purposes of a particular meeting specified in the instrument and any adjournment thereof or for the purpose of every meeting of the Company, or of every meeting to be held before a date specified in the instrument and every adjournment of any such meeting.
113. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to, is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any objection made in due time shall be referred to the chairperson of the meeting whose decision shall be final and conclusive.

#### **BOARD OF DIRECTORS**

114.[NOT USED]

115. The Board of Directors may, from time to time and at any time appoint a person as an additional Director, who shall hold office until the next annual general meeting of the Company but shall be eligible for re-election by the Company at that meeting provided that the number of Directors including such additional Directors shall not exceed the maximum strength fixed by these Articles. Such person shall hold office only up to the date of the next annual general meeting of the Company but shall be eligible for appointment by the Company as a Director at that meeting subject to the provisions of the Act and these Articles.

116.[NOT USED]

117. Subject to the provisions of the Act, the Board shall have power at any time from time to time to appoint any other qualified person to be a Director to fill a casual vacancy. Any person so appointed shall hold office only up to which, the Director in whose place he is appointed would have held office if it had not been vacated as aforesaid.
118. A Director shall not be required to hold any qualification shares.
119. Subject to the provisions of the Act, the Company at the general meeting at which a Director retires in manner aforesaid may fill up the vacated office by electing a person thereto in accordance with the Act.



120. 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 the day is a public holiday, till the next succeeding day which is not a public holiday, at the same time and place.
121. 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:
- (a) at the meeting or at the previous meeting a resolution for the re-appointment of such Director has been put to the meeting and lost;
  - (b) the retiring Director, has, by a notice in writing addressed to the Company or its Board, expressed his unwillingness to be so re-appointed;
  - (c) he is not qualified or is disqualified for appointment;
  - (d) a resolution, whether special or ordinary, is required for the appointment by virtue of any provisions of the Act; or
  - (e) Section 162 of the Act is applicable to the case.
122. The Board may allow any pay to any Director for the purpose of attending a meeting such a sum as the Board may consider fair compensation for travelling, boarding, lodging and other expenses in addition to his fee for attending such meetings, and if any Director be called upon to go or reside outside the town where he normally resides on the Company's business, he shall be entitled to be reimbursed or repaid travelling or other expenses incurred in connection with the business of the Company.
123. (a) The remuneration, if any, payable to the Director, shall be determined in accordance with and subject to the provisions of the Act.
- (b) In addition to the remuneration payable to him as aforesaid, the Director shall be paid travelling, hotel and other expenses as determined by the Board from time to time for attending and returning from meeting of the Board of Directors or any committee thereof, or in connection with the business and in accordance with .
- (c) Every Director shall be paid such fee as the Board of Directors determine for every meeting of the Board or committee thereof attended by him as prescribed by the Act from time to time.
124. The Company may enter into a contract with its related party, subject to compliance with Section 188 of the Act. For the purposes of this Article 124, "related party" shall have the meaning ascribed to such term under Section 2(76) of the Act.
125. 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:

- (a) with a body corporate in which such Director or such Director in association with any other Director, holds more than 2% shareholding of that body corporate, or is a promoter, manager, chief executive officer of that body corporate; or
- (b) with a firm or other entity in which, such Director is a partner, owner or member, as the case maybe.

shall disclose the nature of his concern or interest at a meeting of the Board in the manner provided in Section 184(2) of the Act and shall not participate in such meeting.

126. Every Director, managing Directors, manager or secretary of the Company who is appointed or who relinquishes the office of Director or managing Director, manager, or secretary of any other body corporate shall within 20 (twenty) days of the appointment, disclose to the Company the particulars relating to the office in the other body corporate which are required to be specified under the provisions of the Act.

127. (a) Every Director of the Company and every person deemed to be Director of the Company by virtue of sub-section (1) of Section 170 of the Act, shall give notice to the Company of such matters relating to himself as necessary for the purpose of enabling the Company to comply with the provisions of that Section.
- (b) Any such notice shall be given in writing and if it is not given at a meeting of the Board, the person giving the notice shall take all reasonable steps to secure that it is brought up and read at the meeting of the Board next after it is given.

128. Subject to Section 167 of the Act the office of Director shall become vacant if:

- (a) he is found to be of unsound mind by a court of competent jurisdiction;
- (b) he applied to be adjudicated as an insolvent; or
- (c) he is adjudicated an insolvent; or
- (d) 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
- (e) he fails to pay any call made on him in respect of Securities 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 calls unless the Central Government has by notification in the Official Gazette removed the disqualification incurred by such failure; or
- (f) he absents himself from all meetings of the Directors for a continuous period of 12 (twelve) months, without leave of absence from the Board;
- (g) 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 director, accepts a loan or any guarantee or security for a loan, from the Company is in contravention of Section 185 of the Act; or

- (h) he acts in contravention of Section 184 of the Act relating to entering into contracts or arrangements in which he / she is directly or indirectly interested; or
  - (i) he becomes disqualified by an order of the court, tribunal or other Governmental Authority; or
  - (j) he is removed in pursuance of the provisions of the Act; or
  - (k) he is deemed to have vacated office under the provisions of Section 188 of the Act by holding any place of profit in contravention thereof; or
  - (l) he resigns his office by a notice in writing addressed to the Company; or
  - (m) 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.
129. The Board shall have the power to determine the Directors whose period of office is or is not liable to retire by rotation subject to compliance with the Act and the Rules made thereunder.
130. (a) At every annual general meeting, one-third of such of the Directors for the time being as are liable to retire by rotation, or if their number is not three or a multiple of their number is not three, then the number nearest to one-third shall retire from office.
- (b) The Directors to retire by rotation at every annual general meeting shall be those who have been longest in office since their last appointment but as between persons who became Directors on the same day, those who retire shall, in default of and subject to any agreement among themselves; be determined by lots.
- (c) At the annual general meeting at which a Director retires as aforesaid the Company may fill up the vacancy by appointing the retiring Director or some other person thereto.
- (d) 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 public holiday till the next succeeding day which is not a public holiday at the same time and place. If at the adjourned meeting also the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been re-appointed at the adjourned meeting unless:

- (i) at the meeting or at the previous meeting, resolution to the reappointment of such Director has been put to the meeting and lost;
  - (ii) the retiring Director has by a notice, in writing addressed to the Company or its Board of Directors, expressed his unwillingness to be so reappointed;
  - (iii) he is not qualified or is disqualified for appointment;
  - (iv) a resolution, whether special or ordinary, is required for his appointment or reappointment by virtue of any provisions of the Act; or
  - (v) Section 162 of the Act is applicable to the case.
131. Subject to the provisions of Section 169 of the Act, the Company, may, by ordinary resolution remove any Director (not being a nominated Director) before the expiry of his period of office.
  132. No person other than a retiring Director and an additional Director appointed in accordance with Section 161 of the Act, shall be eligible for election to the office of Director at any general meeting unless the requirements of Section 152 and / or Section 160 of the Act are complied with.
  133. A person other than a retiring Director, shall not act as a Director of the Company unless he has within 30 (thirty) days of his appointment signed and filed with the Registrar, his consent in writing to act as such Director.
  134. The Company may exercise the powers conferred on it by Section 88 of the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.
  135. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.
  136. Every Director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.
  137. (a) No motion at any general meeting of the Company shall be made for the appointment of two or more persons as Directors of the Company by a single resolution unless a resolution that it shall be so made has first been agreed to by the meeting without any vote being given against it.
  - (b) A resolution moved in contravention of Article 137 (a) hereof shall be void whether or not objection was taken at the time of its being so moved. Provided that where a resolution so moved is passed, no provision for the automatic reappointment of the Directors retiring by rotation in default of another

appointment shall apply.

For the purpose of this Article a motion for approving appointment, or for nominating a person for appointment, shall be treated as a motion for the Director's appointment.

### **PROCEEDINGS OF THE BOARD OF DIRECTORS**

138. The Board may meet for the dispatch of business from time to time and at least 4 (four) such meetings shall be held in every year in such a manner that not more than 120 (one hundred and twenty) days shall intervene between 2 (two) consecutive meetings of the Board. The Directors may adjourn and otherwise regulate their meetings as they may think fit in accordance with these Articles and the Act.
139. A Director may, and the manager or secretary on the requisition of a Director shall, at any time, convene a meeting of the Board.
140. Except as otherwise expressly provided in the Act and/ or these Articles, questions arising at any meeting of the Board shall be decided by a majority of votes. In case of an equality of votes, the chairperson of the Board, if any, shall have a second or casting vote.
141. A meeting of the Board for the time being where a quorum, as per the Act and these Articles is present, shall be competent to exercise all or any of the authorities, powers and discretions by or under these Articles for the time being vested in or exercisable by the Board generally.
142. All acts done by any meeting of the Board of Directors or of committee thereof 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 anyone or more of such Directors or of any person acting as aforesaid, or that 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 Director or such person had been duly appointed and was qualified to be a Director and had not vacated his office or his appointment had not been terminated. Provided that nothing in this Article shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.
143. Subject to the provisions of the Act and these Articles, 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 together with the necessary papers if any, to all the Directors or to all the members of the committee, (not being less in number than the quorum fixed for meeting of the Board or committee, as the case may be) and has been approved by a majority of such of them as are entitled to vote on the resolution.
144. The continuing Directors may act as a Board notwithstanding any vacancy, in the body, but if the number falls below the minimum number of Directors fixed under these Articles, the continuing Directors or Director may act for the purpose of increasing the number of Directors to that fixed for the quorum, or of summoning a general meeting of the

Company, but for no other purpose.

145. The Directors shall cause minutes of meeting of the Board to be duly entered in books provided for the purpose in accordance with the provisions of Section 118 of the Act.
146. The Board may, subject to the provisions of the Act and these Articles, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit. Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
147. The Board may elect a chairperson of its meetings and determine the period for which he is to hold office. A committee may elect a chairperson of its meetings. If no such chairperson is elected or if at any meeting the chairperson is not present within 5 (five) minutes after the time appointed for holding the meeting, the members present may choose one of their members to be chairperson of the meeting.
148. A committee may meet and adjourn as it thinks fit. Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the chairperson shall have a second or casting vote.
149. [NOT USED]
150. Save as otherwise provided in the Act and these Articles, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or a committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

### **POWERS OF THE BOARD**

151. The business of the Company shall be managed by the Board who may exercise all such powers of the Company and do all such acts and things as are not, by the Act, or any other Act or by the Memorandum or by the Articles of the Company required to be exercised by the Company in a general meeting. Provided that the Board shall not, except with the consent of the Company in general meeting:
  - (a) sell, lease, or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, where the Company owns more than one undertaking of the whole, or substantially the whole, of any such undertaking;  
  
The expressions, “undertaking” and “substantially the whole of the undertaking” has the meaning as set out in Section 180(1)(a) of the Act.
  - (b) remit, or give time for the repayment of any debt due by a Director;
  - (c) invest otherwise in trust securities the amount of compensation received by the Company as a result of any merger or amalgamation;
  - (d) borrow monies where the monies to be borrowed together with the monies already

borrowed by the Company (apart from temporary loans obtained from Company's bankers in the ordinary course of business), will exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose; or

- (e) contribute to charitable and other funds not directly relating to the business of the Company or the welfare of its employees, any amounts the aggregate of which will, in any financial year, exceed 5% (five percent) of its average net profits for the 3 (three) immediately preceding financial years.

Provided that the powers specified in Section 179 of the Act shall subject to these Articles be exercised only at meetings of the Board, unless the same be delegated to the extent therein stated.

Provided further that in respect of the matter referred to in Articles 151(d) and 151 (e) such consent shall be obtained by a resolution which shall specify the total amount to be upto which money may be borrowed by the Board under Article 151 (d) or the total amount which may be contributed to a charitable or other fund in any financial year under Article 151 (e).

Provided further that 'temporary loans' in Article 151 (d) above shall mean loans repayable on demand or within 6 (six) months from the date of the loan such as short term, cash credit arrangements, the discounting of bills and the issue of other short term loans of a seasonal character, but does not include loans raised for the purpose of financing expenditure of a capital nature.

152. Without prejudice to the general powers conferred by the last preceding Article and so not in any way to limit or restrict those powers, and without prejudice to the other powers conferred by those Articles, but subject to the provisions of the Act, the Directors shall have the following powers, that is to say, power:

- (a) to pay the costs, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company;
- (b) to pay any charge to the capital account of the Company and commission or interest lawful payable thereat under the provisions of the Act;
- (c) subject to the provisions of the Act to purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorised to acquire at or for such price or consideration and generally on such terms and conditions as they may think fit; and in any such purchase or other acquisition to accept such titles as the Directors may believe or may be advised to be reasonably satisfactory;
- (d) at their discretion and subject to the provisions of the Act to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partially, in cash or in Securities, bonds, debentures, mortgages or other

securities of the Company, and any such Securities may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any bonds, debentures, mortgages or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged;

- (e) to secure the fulfilment of any contracts or engagement entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such manner as they may think fit;
- (f) to accept from any member, so far as may be permissible by Applicable Law, a surrender of his Securities or any part thereof, on such terms and conditions as shall be agreed;
- (g) to appoint any person to accept and hold in trust for the Company any property belonging to the Company, or in which it is interested, or for any other purposes; and to execute and do all such deeds, and things as may be required, in relation to any such trust and to provide remuneration/s of such trustee or trustees;
- (h) to institute, conduct, defend, compound, or abandon, any legal proceedings by or against the Company, and also to compound and allow time for payment or satisfaction of any debts due, and of any claims or demands by or against the Company, and to refer any difference to arbitration either according to Indian law or according to any foreign law and either in India or abroad, and observe, perform or challenge any awards made thereon;
- (i) to act on behalf of the Company in all the matters relating to bankruptcy and insolvency;
- (j) to make and give receipts, releases, and other discharges for monies payable to the Company and for the claims and demands of the Company;
- (k) subject to the provisions of the Act, to invest and deal with any monies of the Company not immediately required for the purposes thereof up to such securities (to being shares of the Company), or without security and in such manner as it may think fit, and from time to time vary or realise such investments. Save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name;
- (l) to execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or surety for the benefit of the Company, such mortgages of the Company's property (present and future) as they think fit; and any such mortgage may contain a power of sale and such other powers, provisions, convenient and agreement as shall be agreed upon;
- (m) to determine from time to time who shall be entitled to sign, on the Company's



behalf, bills, notes, receipts, acceptance, endorsements, cheques, dividend warrants, releases, contracts and documents, and give the necessary authority for such purpose;

- (n) to distribute by way of bonus amongst the staff of the Company, Securities in the profits of the Company, a commission on the profits of any particular business or transactions; and to charge such bonus or commission as part of the working expenses of the Company;
- (o) to provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and the wives, widows and families of the dependents or connections of such persons, by building, or contributing to the building of houses, dwellings, or chawls, or by grants of monies, pensions, gratuities, allowances, subscribing or contributing to provident and other associations, institutions, funds, or trusts and by providing or subscribing or contributing towards places of instructions and recreation, hospitals and dispensaries, medical and other attendance assistance (subject to the limit laid down by Section 181 of the Act) as the Board shall think fit, and to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious scientific, national, political or other institution or objects which shall have any moral or other claim to support of aid by the public general utility or otherwise;
- (p) before recommending any dividend, to set aside out of the profits of the Company such sums as they may think proper, for depreciation or to the depreciation fund, or any special fund to meet contingencies or to repay debenture, or debenture stock, or for special dividends or for equalising dividends or for repairing, improving, extending and maintaining any of the property of the Company and for such other purpose (including the purposes referred in the preceding Article), as the Board may, in their absolute discretion, think conducive to invest the several sums so set aside or so much thereof as required to be invested upon such investment (other than Securities of the Company) as they may think fit, and from time to time to deal with and vary such investments and dispose of and apply and expend all or any part thereof for the benefit of the Company, in such manner and for such purpose as the Board, in their absolute discretion, think conducive to the Company notwithstanding that the matters to which the Board apply or upon which they expend, the same, or any of funds, including the depreciation fund, in the business of the Company or into the purchase or to payment of debenture stock, and without being bound to pay interest on the same, and without being bound to keep the same separate from the other assets, with power however to the Board at their discretion to pay or allow to the credit of such funds interest at such rate as the Board may think proper, not exceeding 9% (nine percent) per annum;
- (q) to account and at their discretion, remove or suspend such general managers, managers secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisers, research workers, labourers, clerks, agents and servants for permanent, temporary or special services as they

may from time to time think fit, and to determine their powers and duties, and fix their salaries, or emoluments or remuneration, and to require security in such instances and to such amount as they may think fit. And from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit and provisions contained in for next following sub-Articles shall be without prejudice to the general powers conferred by this sub-Article;

- (r) to comply with the requirements of any local law which in their opinion and in interest of the Company, be necessary or expedient to comply with;
- (s) from time to time and at any time, to establish any local board for managing of the affairs of the Company in any specified locality in India or elsewhere and to appoint any persons to be members of such local boards, and fix the remuneration;
- (t) subject to Section 179 of the Act, from time to time and at any time to delegate any person so appointed any of the powers, authorities and discretion for the time being vested in the Board; and to authorise the members for the time being of any such local board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies and any such appointment or delegation may be made on such terms, and subject to such conditions as the Board think fit and may at any time remove any person so appointed, and may annul any such delegation;
- (u) at any time and from time to time, by power of attorney under the Seal, to appoint any person or persons to be attorney or attorneys of the Company for such purposes and with such powers, authorities and discretion (not exceeding those vested in or exercisable at any time by the Board under these Articles and excluding the power to make calls and excluding also except in their limits authorised by the Board the power to make loans and borrow monies) and for such period and subject to such conditions as the Board may from time to time think fit; and such appointment may (if the Board thinks fit) be made in favour of the members or any of the members of any Company or firm or otherwise in favour of any body of persons whether nominated directly or indirectly by the Board and any such power of attorney may contain such powers for the protection or convenience of person dealing with such attorneys as the Board may think fit; and may contain powers enabling any such delegates or attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them;
- (v) subject to the provisions of the Act, for or in relation to any, of, the matters aforesaid or otherwise for the purposes of the Company to enter into all matters such negotiations and contracts and rescind and vary all such, contracts, and execute and do all such Acts, deeds and things in the name and on behalf of the Company as they may consider expedient; and
- (w) from time to time give guarantees to bank and financial institutions in respect of loans and / or advances sanctioned to the Company and/ or Company's subsidiaries, if any.

153. Subject to the provisions of the Act and these Articles, the Board of Directors shall exercise the following powers on behalf of the Company only by means of resolution passed at meetings of the Board:
- (a) to make calls on Security holders in respect of money unpaid on their Securities;
  - (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 monies;
  - (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 statement 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) any other matter which may be prescribed under Section 179 of the Act.

Provided that subject to the provisions of Section 179 of the Act, the Board of Directors may delegate to any committee of Directors, the manager or any principal officer of the Company, the powers specified mentioned above. The Board of Directors may delegate all or any of such powers, authorities and discretions to the managing directors or of other officer/s of the Company on such terms and conditions as they think fit.

154. Any bonds, debentures, debenture-stock or other securities may if permissible in applicable 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, attending (but not voting) in the General Meeting, 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.
155. If and when the debentures of the Company are issued the holders thereof shall have the right to appoint and from time to time to remove and re-appoint a Director, or Directors in accordance with the provisions of the trust deed securing the debentures. The Director appointed under this Article is herein referred to as the debenture Director and the term

debenture Director means the Director for the time being in office under this Article.

156. Subject to the provisions of Section 188 of the Act, a Director may hold any office or place to profit under the Company except that of an auditor, upon such terms and conditions as to the remuneration, tenure of office etc., as may be determined by the Board from time to time.

### **MANAGING DIRECTOR**

157. Subject to the provisions of the Act and these Articles, the Board shall have power to appoint from time to time any more of the Directors as managing Director/s or whole-time Director/s for such period not exceeding 5 (five) years at a time. The Board shall fix from time to time, the terms, remuneration, authorities and powers of the managing Director/s and whole-time Director/s.
158. The management of the day-to-day affairs of the Company shall vest with managing Director who shall discharge his duties under the general superintendence and control of Board of Directors and shall be subject to any directions and restrictions given or imposed by the Board of Directors from time to time.

### **SECRETARY**

159. Subject to the provisions of the Act, the Board shall have the power to appoint a secretary for the Company, at such remuneration and upon such condition as think fit and the secretary so appointed may be removed by the Board.
160. Subject to the provisions of Section 203 of the Act, a Director may be appointed as secretary.

### **COMMON SEAL**

161. The Company shall have a Seal and the Board shall provide for the safe custody thereof. The Seal shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two Directors and of the secretary or such other person as the Board may appoint for the purpose, and those two Directors and the secretary or other person aforesaid shall sign every instrument to which the Seal is so affixed in his presence.

### **BOOKS OF ACCOUNTS**

162. The Board shall cause proper books of accounts with respect to the following to be kept at the registered office of the Company or at such other place as the Board considered necessary:
- (a) all sums of money received and expended by the Company and the matter respect of which the receipt and expenditure take place;
  - (b) all sales and purchases of goods by the Company; and

- (c) the assets and liabilities of the Company.
163. The books of account shall be kept at the registered office or at such other place in India as the Board may decide and when the Board so decides, 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 books of account shall be open to inspection by any Director during business hours.
164. The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection of members not being Directors. Subject to the provisions of these Articles, no member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by Applicable Law or authorised by the Board of by the Company in a general meeting.

### **AUDIT**

165. The appointment of auditors and fixation of their remuneration shall be regulated in accordance with the provisions of the Act applicable to the Company from time to time.
166. Every account of the Company when audited and approved by a general meeting shall be conclusive except as regards any error discovered therein within 3 (three) months next after the approval thereof. Wherever any such error is discovered within that period the account shall forthwith be corrected, and then shall be conclusive.

### **DIVIDENDS**

167. The annual general meeting may declare dividends but no dividend shall exceed the amount recommended by the Board.
168. (a) The Board of Directors may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the Company.
- (b) Dividends shall be paid by the Company in respect of any Securities therein to the, registered holder of such Securities or to his bankers or to the bearer of a share warrant (if issued) or to his banker.
- (c) Transfer of Securities shall not pass the right to any dividend, declared thereon before the registration of transfer.
169. The Board may, subject to Section 123 of the Act before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments as the Board may, from time to time think fit.

170. (a) The Board may also carry forward any profits which it may think prudent not to divide without setting them aside as a reserve.
- (b) The declaration of the Directors as to the amount of the net profits of the Company shall be conclusive.
- (c) Subject to the rights of persons, if any, entitled to Securities with special rights to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the Securities in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the Securities in the Company, dividends may be declared and paid according to the amounts of the Securities.
- (d) No amount paid or credited as paid on a Security in advance of calls shall be treated for the purpose of this Article as paid on the Security.
- (e) All dividends shall be apportioned and paid on a Security proportionately to the amounts paid or credited as paid on the Securities during any portion or portions of the period in respect of which the dividend is paid; but if any Security is issued on terms providing that it shall rank for valid dividend as from a particular date such Security shall rank for dividend accordingly.
171. (a) The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the Securities of the Company.
- (b) No member shall be entitled to receive payment of any interest or dividend in respect of his Security or Securities, whilst any money be due or owing from him to Company; in respect of such Securities or otherwise however, either alone or jointly with any other person or persons.
172. The Company may at a general meeting, in declaring dividend, make a call of such amount as is equal to the dividend payable to the members and set off the same against the dividend payable by the Company to them.
173. (a) Any dividend, interest or other monies payable in cash in respect of Securities may be paid by cheques or warrant sent through the post directed to the registered address of the holder, or in the case of joint holders, to the registered address of that one of the joint holders who is first named in the register of members or to such person and to such address as the holder or joint holder may in writing direct.
- (b) Every cheque or warrant shall be made payable to the order of the person to whom it is sent.
- (c) The Company shall not be responsible for the loss of any cheque warrant or money order sent by post as aforesaid.
174. Anyone of two or more joint holders of a Security may give effectual receipts for any dividends bonuses or other monies payable in respect of such Security.

175. Notice if any dividend that may have been declared shall be given to the persons entitled to Securities therein in the manner mentioned in the Act.
176. No unclaimed or unpaid dividend shall be forfeited by the Board unless the claim thereto becomes barred by Applicable Law and all dividends not claimed or remaining unpaid shall be regulated in accordance with the provisions of the Act. No dividend shall bear interest against the Company.
177. 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 dividend or to participate in profits.
178. The Board may retain the dividends payable upon Securities in respect of which any person is entitled to become a member, or which any person under these Articles is entitled to transfer, until such person shall become a member in respect of such Securities or shall duly transfer the same.
179. A transfer of Securities shall not pass the right to any dividend declared thereon before the registration of the transfer.
180. Any general meeting declaring a dividend may, on the recommendation of Directors, make a call on the member, of such amount as the meeting fixes, but so that the call on each member shall not exceed the dividend payable to him, and so that the call be made payable at the times as the dividend; and the dividend may, if so arranged between the Company and the members, be set off against the calls.

### **CAPITALISATION OF PROFITS AND RESERVES**

181. (a) The Company in general meeting, may upon the recommendations of Board resolve:
  - (i) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or credit of the profit and loss account or otherwise available for distribution; and
  - (ii) that such amounts be accordingly set free for distribution in the manner specified in Article 181(b) below amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- (b) The sum aforesaid shall not be paid in cash but shall be applied subject to provisions contained in Article 181(c) hereto either in or towards:
  - (i) paying up any amount for the time being unpaid on any Securities held by such members respectively;
  - (ii) paying up in full, unissued Securities of the Company to be allotted distributed, credited as fully paid up to and amongst such member in the proportions aforesaid; or

- (iii) partly in the way specified in sub-para (i) and in partly in that specified in sub-para (ii).
  - (c) A share premium account and a capital redemption of the reserve account may, for purpose of this Article only, be applied in the paying up of unused Securities to be issued to members of the Company as fully paid bonus Securities.
  - (d) The Board shall give effect to the resolution of the Company in pursuance of the preceding Articles.
182. (a) Where such a resolution as aforesaid shall have been passed, the Board shall:
- (i) make all appropriations and application of the undivided profits resolved to be capitalised thereby and all allotments and issues of fully paid Securities, if any; and
  - (ii) generally do all acts and things to give effect thereto.
- (b) The Board shall have full powers:
- (i) to make such provisions by the issue of fractional certificates or by payment in case or otherwise, as it thinks fit, in the case of Securities become distributable in fractions; and
  - (ii) to authorise any person, to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up of any further Securities to which they may be entitled upon such capitalisation or (as the case may be) for the payment by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised of the amounts remaining unpaid on their existing Securities.
- (c) Any agreement made under such authority shall be effective and binding on all such members.

### **SERVICE OF DOCUMENTS AND NOTICES**

183. (a) Subject to the provisions of these Articles, a document or notice may be served or given by the Company on any member either personally or by sending it by post to the member to his / her / its registered address or (if the member has no registered address in India) to the address supplied by such member to the Company for serving documents or notices on such member.
- (b) Subject to the provisions of these Articles, where a document or notice is sent by post, service of the document or notice shall be deemed to be effected by properly addressing, preparing and posting a letter containing the document or notice, provided that where a member has intimated to the Company in advance that documents or notices should be sent to him under certificate of posting or by



registered post with or without acknowledgment due and has deposited with the Company a sum sufficient to defray the expenses of doing so, service to the document or notice shall not be deemed to be effected unless it is sent in the manner intimated by the member and such service shall be deemed to have been effected in the case of a notice of meeting, at the expiration of 48 (forty-eight) hours after the letter containing the document or notice is posted and in any other case, at the time at which the letter would be delivered in the ordinary course of post.

184. A document or notice advertised in a newspaper circulated in the neighbourhood of the office shall be deemed to be duly served or sent on the day on which the advertisement appears on to every member who has no registered address in India and has not supplied to the Company an address within India for serving of document on or the sending of notices to him.
185. A document or notice may be served or given by the Company on or to the joint holder of a Security by serving or giving the documents or notice on or to the joint holder named first in the register of members in respect of the Security.
186. A document or notice may be served or given by the Company on or to the persons entitled to a Security in consequence of the death or insolvency of member by sending it through the post in a prepaid letter addressed to them by name or by the title or representatives of the deceased, or assignee of the insolvent or by any like descriptions, 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 or notice in any manner in which the same might have been given if the death or insolvency had not occurred.
187. Documents or notices of every general meeting shall be served or given in the same manner herein before authorised on or to (a) every member, (b) legal representative of any deceased member or the assignee of an insolvent member and (c) the auditor or auditors for the time being of the Company.
188. Every person, who, by operation of law, transfer or other means whatsoever, shall become entitled to any Security, shall be bound by every document or notice in respect of such Security, which previously to his name and address being entered in the register of members, shall have been duly served on or given to the person from whom he derives title to such Securities.
189. Any document or notice to be served or given by the Company may be signed by a Director or some person duly authorised by the Board of Directors for such purpose and the signature thereto may be written, printed and lithographed.
190. All documents or notices to be served or given by members or to the Company or any officer thereof shall be served or given by sending it to the Company or officer at the office by post under a certificate of posting or by registered post, or by leaving it at the office.

191. Copies of the Charter Documents and other documents referred to in Section 17 of the Act shall be sent by the Company to every member at his request within 7 (seven) days of the request on payment of the sum of INR 1 (Indian Rupee one) for each copy.

### **INDEMNITY AND SECRECY**

192. Every officer or agent for the time being of the Company shall be indemnified out of the assets of the Company against all liability incurred by him in relation to the business of the Company in defending any proceeding whether civil or criminal in which judgement is given in his favour or in which he is acquitted or in connection with any application under Section 463 of the Act in which relief is granted to him by the court.
193. Every Director, manager, auditor, trustee, member of a committee officer, servant, agent, accountant or other person employed in the business of the Company shall observe a strict secrecy respecting all transactions and matters relating thereon and shall not reveal any of the matters which may come to his knowledge in the discharge of his duties, except when required so to do by the Directors or by a meeting or by account of Applicable law and except so far as may be necessary in order to comply with any of the provisions in these Articles.

### **WINDING-UP**

194. Subject to the provisions of the Act, rules made thereunder and these Articles-
- (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 members, 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 members or different classes of members.
  - (c) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other Securities whereon there is any liability.

## PART B

### 195. DEFINITIONS

In Part B of these Articles, unless the context requires otherwise, (i) capitalised terms defined by inclusion in quotations and/ or parenthesis have the meanings so ascribed; (ii) reference to the phrase “*as agreed between the parties to the Promoter SHA*” shall mean the understanding agreed between the Acquirer, the Company and the Continuing Shareholders, recorded under the Promoter SHA; (iii) capitalised terms used herein and not specifically defined under Part B, shall have the meaning ascribed to them in Part A of these Articles; and (iv) the following words and expressions shall have the following meanings for the purposes of this Part B only:

“**Affiliate**” means, with respect to any Person (other than a natural person), any other Person directly or indirectly, through one or more intermediate Persons, Controlling, Controlled by or under common Control with such Person, and in case of a Person that is a natural person, shall include any other Person who is a Relative of such Person and any Person who, either directly or indirectly through one or more intermediate Persons, Controls, is Controlled by or is under common Control with such Person;

“**Board Meeting**” means a meeting of the Board;

“**Business**” means business of pharmaceutical production and marketing including the manufacture and sale of specialised injectables, active pharmaceutical ingredients (APIs), and formulations for generic versions of drugs, carried on by the Company;

“**Business Day**” means a day, other than Saturday, Sunday or other day on which commercial banks in Hong Kong, Mumbai, Hyderabad, New York or Singapore are authorized or required by Applicable Law to close;

“**Closing Date**” means [3 October 2017];

“**Committee**” means (i) any committee or sub-committee of the Board, appointed in accordance with these Articles and the Act, (ii) any committee or sub-committee of any Board of a Subsidiary or (iii) any ad hoc or informal committee comprised of Directors and management of the Company or any Subsidiary that is empowered to exercise any power or authority generally reserved to the Board (for the Company) or the Board of a Subsidiary (for any Subsidiary of the Company);

“**Competitor**” means any Person who, either directly or indirectly or through one or more Affiliates, is (a) undertaking any business in the pharmaceuticals sector; or (b) engaged in an activity which competes with the Business; provided that any financial investors, such as private equity investors and other similar investors who hold investments in Person(s) undertaking business in the pharmaceutical sector or otherwise engaged in the Business, for financial purposes shall not be considered as Competitor;

“**Continuing Shareholders**” means:

- (i) Gland Celsus Bio Chemicals Private Limited;

- (ii) RP Advisory Services Private Limited, as trustee of the Empower Discretionary Trust;
- (iii) RP Advisory Services Private Limited, as trustee of the Nilay Discretionary Trust;
- (iv) RP Advisory Services Private Limited, as trustee of Odin Discretionary Trust; and
- (v) KVGK Raju, Srinivas Sadu, Jhansi Lakshmi and B. Narasimha Rao, as the trustee of Rivendell Discretionary Trust;

**“Continuing Shareholders Affirmative Vote Matters”** shall collectively mean the Additional Affirmative Vote Matters and the Affirmative Vote Matters;

**“Control”** together with its correlative meanings, “Controlled by” and “under common Control with” means, with respect to any Person or entity, the possession, directly or indirectly, of power to direct or cause the direction of management or policies of such Person or entity (whether through ownership of voting securities or partnership or other ownership interests, by contract or otherwise) including (i) by way of appointing the majority of the board of directors of that body corporate or (ii) by way of the beneficial ownership, directly or indirectly, of more than 50% (fifty per cent) of the voting Share Capital of such Person or entity;

**“Dr Ravi”** means Dr. P. Ravindranath, son of Mr. PVN Raju, currently residing at Residing at Flat No. 307, Myhome Gardenia Apartments, 6-3-865, Ameerpet, Hyderabad – 500 016 and having PAN AHMPP1651R;

**“EBITDA”** shall mean the consolidated audited earnings of the Company, its Subsidiaries and joint ventures before interest, Tax, depreciation and amortization, determined from the audited financial statements of the Company, its Subsidiaries and joint ventures, prepared in accordance with Indian GAAP and prepared in a manner consistent with the accounting principles and policies applied in the Financial Year ending on March 31, 2016, except for such deviations which are required by Applicable Law and/or Indian GAAP. For the avoidance of doubt, it is clarified that any milestone payments received by the Company under any of its contracts with customers or licencing contracts will be included for determining EBITDA based on the amounts accrued by the Company, consistent with its revenue recognition policy;

**“Encumbrance”** shall mean (i) any mortgage, charge (whether fixed or floating), option, claim, 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, option, right of first offer, refusal or transfer restriction in favour of any Person, and (iii) any adverse claim as to title, possession or use;

**“Equity Security(ies)”** shall mean the Company’s Equity Shares and instruments, options, warrants, convertible shares, convertible debentures, convertible bonds or other

securities that are convertible into, or exercisable or exchangeable for Equity Shares of the Company;

**“Equity Shares”** means the Company’s equity shares, each with a face value of Rs. 10 (Rupees Ten);

**“Fair Market Value”** shall mean the fair market value of Equity Security of the Company determined in accordance with Part B of these Articles;

**“Financial Year”** shall mean the Company’s fiscal year beginning on 1<sup>st</sup> April of each calendar year and ending on 31<sup>st</sup> March of the immediately succeeding calendar year, or such other period as the Board or the Shareholders, as the case may be, determine in accordance with these Articles and Applicable Law;

**“Fully Diluted Basis”** means that the calculation is to be made assuming that all outstanding convertible securities and stock options (whether or not by their terms then convertible, exercisable or exchangeable), have been so converted, exercised or exchanged in accordance with their terms;

**“General Meeting”** shall mean the duly convened meeting of Persons holding Equity Shares, and convened in accordance with the Act and these Articles;

**“Gland Celsus”** shall mean Gland Celsus Bio Chemicals Private Limited;

**“Immediate Relatives”** means Mr. PVN Raju, Mr. Nakul Penmetsa, Ms. Mallika Veni Penmetsa, Mrs. P. Suryakantham, Mrs. Jhansi Lakshmi, Mrs. S. Kanaka Durga, Mrs. Sasikala Penmetsa, Mr. V Pratap Raju, Dr. V Prithvi Raju, Smt. Krishnaveni, Ms. Radha Vegasena Raju and Mr. K Aravind Raju;

**“Independent Valuer”** means network representative in India, of:

- (a) Ernst & Young;
- (b) Deloitte Touche Tohmatsu;
- (c) KPMG; or
- (d) PriceWaterhouseCoopers.

**“Indian GAAP”** shall mean the generally accepted accounting principles in India;

**“Information”** shall have the same meaning as agreed between the parties to the Promoter SHA;

**“Losses”** shall mean any and all losses, liabilities, fines, demands, penalties, settlements, Taxes, interest, expenses (including costs of investigation, remediation or other response actions, reasonable fees, disbursements and other legal costs and expenses) and damages;

**“MIS”** shall mean monthly income statements;

**“Promoter SHA”** shall mean amended and restated shareholders’ agreement dated 15 September 2017 executed between the Company, the Continuing Shareholders and the Acquirer, as amended by the amendment no.1 dated January 24, 2019, and read with any other amendment entered into among the parties;

**“QIPO”** shall have the meaning as agreed between the parties to the Promoter SHA;

**“Recognised Stock Exchange”** shall mean the National Stock Exchange of India Limited, the BSE Limited or any internationally recognized securities exchange;

**“Related Party”** with respect to the Company, shall mean any of the following:

- (a) the Shareholders of the Company and any Affiliate of the Shareholders;
- (b) any Director or key employee of the Company or any downstream Affiliate of the Company;
- (c) any Affiliate of the Company, or of a director referred to above (such director); and
- (d) any other Persons as are defined as “related party” for the Company and the Continuing Shareholders under Indian GAAP;

**“Relative”** means any child, grandchild, parent, grandparent, spouse or sibling of such natural Person;

**“Rupees”** and **“Rs.”** and **“INR”** shall mean the lawful currency of the Republic of India;

**“SEBI”** shall mean the Securities and Exchange Board of India;

**“Share Capital”** means the paid up equity share capital of the Company as existing on the relevant date of calculation on a Fully Diluted Basis;

**“Shareholder”** shall mean a holder of Equity Securities;

**“Subsidiary(ies)”** shall have the meaning ascribed to the term under the Act;

**“Tax”** or **“Taxes”** means (a) any tax (direct and indirect, including corporate income tax, value added tax, entry tax, service tax, dividend distribution tax, buy-back tax, securities transaction tax, minimum alternate tax, wealth tax, payroll tax and property tax), levy, duty (including stamp duty, excise duty and customs duty), charge, impost, withholding or other assessment or charge in the nature of a tax, whenever created or imposed by, or payable to, any Tax Authority, and (b) any charge, interest, penalty and fines incidental or relating to any tax described in the foregoing clause (a) or which arise as a result of the failure to pay any tax on the applicable due date or to comply with any obligation relating to tax;

“**Tax Authority**” means any revenue, customs, fiscal, Governmental Authority, statutory, state, provincial, local governmental or municipal authority, body or Person responsible for or in relation to any Tax;

“**Third Independent Valuer**” means either of:

- (a) Morgan Stanley;
- (b) Goldman Sachs;
- (c) Jefferies;
- (d) UBS; and
- (e) Bank of America Merrill Lynch;

“**Transfer**” shall mean to directly or indirectly sell, gift, assign, transfer, transfer any interest in, place in trust, or create any Encumbrance on, any Equity Securities or any right, title or interest therein, or otherwise dispose of in any manner whatsoever voluntarily or involuntarily; and

“**US Dollars**” and “**US\$**” shall mean the lawful currency of the United States of America.

### **ISSUE OF FURTHER EQUITY SECURITIES**

- 196. In the event the Company decides to issue any Equity Securities to any Person in a manner that would dilute the shareholding of the Acquirer or Continuing Shareholders (“**Affected Party**”) in the Company, the Company shall provide the Affected Party with the right to acquire such proportionate number of Equity Securities, so as to enable the Affected Party to maintain a shareholding percentage in the Company on a Fully Diluted Basis equal to the shareholding percentage of such Affected Party immediately prior the proposed further issuance of Equity Securities under these Articles 196 to 200, computed on a Fully Diluted Basis (“**Proportionate Shareholding**”).
- 197. Within 3 (three) days of the date of the approval of the proposed issuance by the Board, the Company shall deliver to the Affected Party a written notice (“**Further Issuance Notice**”) setting forth (i) the number of Equity Securities, which such Affected Party is entitled to subscribe to in order to maintain its Proportionate Shareholding; (ii) key terms of the proposed issuance of Equity Securities including (a) the nature of the Equity Security proposed to be issued, (b) the price per Equity Security to be paid and (c) the total size of the proposed issuance.
- 198. In the event the Affected Party decides to exercise its rights under Article 196 above, such Affected Party shall, within 30 (thirty) days following delivery of the Further Issuance Notice, send a written notice to the Company confirming the number of Equity Securities (which may be all or any of the number of securities that would enable it maintain its Proportionate Shareholding) that it proposes to subscribe to.

199. Within a further period of 30 (thirty) days of the Affected Party confirming its intention of subscribing to Equity Securities in the manner contemplated under Article 198 above, such Affected Party shall make the payment of the consideration required for such Equity Securities, which shall be the price as set out in the Further Issuance Notice, and the Company shall simultaneously allot the relevant number of Equity Securities to such Affected Party so as to enable the Affected Party to maintain its Proportionate Shareholding.
200. Notwithstanding anything contained in Articles 196 to 199, none of the restrictions hereunder shall apply to issuance of any Equity Securities pursuant to any Board approved stock option or purchase scheme, or upon issuance of any Equity Shares pursuant to the conversion of any Equity Securities previously issued by the Company to any Shareholder.

### **BOARD OF DIRECTORS OF THE COMPANY**

201. Subject to Applicable Law and these Articles, the assets, business and affairs of the Company shall be managed under the direction of the Board. The Board may exercise all such powers of the Company, and do all such lawful acts and things as permitted under Applicable Law and the Charter Documents of the Company.

### **CONSTITUTION OF THE BOARD**

202. The Board shall consist of not more than 9 (nine) Directors, including such number of independent Directors as required to be appointed to the Board under the Act. Provided, further, the Board shall also consist of a woman Director, if required under Applicable Law. Provided, further, in the event the Company is required to appoint more than 2 (two) independent Directors due to requirements under Applicable Law, the Company shall be entitled to increase the size of the Board to more than 9 (nine) so as to comply with such requirements.
203. The Continuing Shareholders shall have the following rights in respect of the nomination of Director(s), if any:
- (a) So long as the Continuing Shareholders own at least 11% (eleven per cent) of the Share Capital, the Continuing Shareholders shall be entitled to nominate 2 (two) Directors (the “**Continuing Shareholders’ Directors**”) for appointment onto the Board.
  - (b) In the event (A) the Continuing Shareholders own less than 11% (eleven per cent) of the Share Capital, but continue to own at least 5% (five per cent) of the Share Capital, and (B) the Continuing Shareholders Transfer Equity Securities aggregating to at least 11.1% (eleven point one per cent) of the Share Capital in accordance with these Articles along with the right to nominate 1 (one) Director to a Person other than a Permitted Transferee (“**Third Party Transferee**”), the Continuing Shareholders shall be entitled to nominate either Mr. PVN Raju or another person, at their sole discretion, as a Director and such Third Party Transferee shall be entitled to nominate



1 (one) Director onto the Board, provided that if the said Third Party Transferee ceases to hold Equity Securities aggregating to at least 11.1% (eleven point one per cent) of the Share Capital in any manner whatsoever, such Third Party Transferee shall not be entitled to nominate any Director;

- (c) In the event (A) the Continuing Shareholders own less than 11% (eleven per cent) of the Share Capital, but continue to own at least 5% (five per cent) of the Share Capital, and (B) the Continuing Shareholders have not transferred their right to nominate 1 (one) Director to any Third Party Transferee, the Continuing Shareholders shall be entitled to nominate 1 (one) Continuing Shareholders' Director in addition to Mr. PVN Raju for the appointment onto the Board; and
- (d) In the event the shareholding of the Continuing Shareholders falls below 5% (five per cent) of the Share Capital in any manner other than by virtue of the Continuing Shareholders Transferring more than 77.35% (seventy seven point three five per cent) of the Equity Securities held by them in the Company immediately after Closing to any Person other than a Permitted Transferee, the Continuing Shareholders shall only be entitled to nominate either Mr. PVN Raju or another person, at their sole discretion, as a Director onto the Board. It is clarified that in the event the shareholding of the Continuing Shareholders falls below 5% (five per cent) of the Share Capital by virtue of the Continuing Shareholders Transferring more than 77.35% (seventy seven point three five per cent) of the Equity Securities held by them in the Company immediately after Closing to any Person other than a Permitted Transferee, the Continuing Shareholders shall not be entitled to nominate any Director onto the Board.

The Acquirer shall be entitled to nominate all the Directors for appointment onto the Board other than the independent Directors on the Board as required to be appointed to the Board under the Act and the Directors nominated in accordance with this Article 203 by the Continuing Shareholders and/ or the Third Party Transferee. The Directors nominated by the Acquirer shall be referred to as “**Acquirer Directors**” in these Articles. For purposes of these Articles, Mr. PVN Raju shall not be deemed as a Continuing Shareholders' Director if he is nominated to be a Director pursuant to Article 203(c), and only when Mr. PVN Raju is nominated to be a Director pursuant to Article 203(a), Article 203(b) or Article 203(d) shall he be deemed as a Continuing Shareholders' Director. It is further clarified that the Director nominated by the Third Party Transferee pursuant to this Article 203 shall not be deemed as a Continuing Shareholders' Director for purposes of these Articles.

- 204. In addition to the Acquirer Directors, the Acquirer shall nominate and cause the Company to appoint independent and / or women Directors on the Board of the Company (who satisfy the requirements as set out under Applicable Law) to ensure compliance by the Company with requirements under Applicable Law. The terms of appointment of the independent Director shall be determined by the Board, which shall not exceed 5 (five) years at a time. In the event the size of the Board is increased due to requirements under Applicable Law or otherwise, Acquirer shall be entitled to appoint such additional number

of Acquirer Directors on the Board so as to ensure that Acquirer Directors at all times constitute a majority on the Board, relative to the number of independent Directors, Continuing Shareholders' Director, Director appointed by Third Party Transferee and Mr PVN Raju (in the event Mr PVN Raju is appointed as a Director), in aggregate.

205. Dr. Ravi shall be appointed (which shall include a re-appointment) as the Chief Executive Officer and Managing Director (“**CEO & MD**”) of the Company for a period of 3 (three) years from the Closing Date. After the expiry of such 3 (three) year period, the Company and Dr. Ravi may renew the engagement of Dr. Ravi as the CEO & MD on mutually acceptable terms and failing such agreement, the Company may appoint any Person as the Chief Executive Officer and/or the Managing Director as the Board may determine. Dr. Ravi shall discharge his duties as the CEO & MD of the Company subject to the supervision of the Board. *Provided*, however, it is clarified that in the event Dr. Ravi resigns, retires or is otherwise not the CEO & MD of the Company before the completion of 3 (three) years from the Closing Date for any reason whatsoever, the Company shall be entitled to appoint such other Person as it may deem fit at its sole discretion, as the Chief Executive Officer and/or Managing Director of the Company. *Provided*, further, until such time as Dr. Ravi is acting as the CEO & MD of the Company, Dr. Ravi shall be a Continuing Shareholders' Director for the purposes of these Articles. In the event that the Continuing Shareholders cease to hold any Equity Securities of the Company, Dr Ravi's employment with the Company as the CEO & MD shall automatically terminate.

#### **APPOINTMENT, REMOVAL AND CASUAL VACANCY**

206. Subject to Applicable Law and these Articles, the Continuing Shareholders shall be entitled to require the removal of any Continuing Shareholders' Director (including any alternate Director nominated by it) by notice to such Continuing Shareholders' Director and the Company. In the event of the resignation, retirement or vacation of office of a Continuing Shareholders' Director, the Continuing Shareholders shall be entitled to appoint another Person as a Director in place of such nominee Director by notification to the Company, and the Shareholders shall exercise their rights and take all such actions as may be necessary, to ensure the appointment of the individual so nominated by the Continuing Shareholders as promptly as practicable after delivery of such notice. *Provided*, however, the Company shall be under no obligation to, and the Continuing Shareholders shall have no right to require any Continuing Shareholders' Director other than Dr. Ravi to be appointed as the Chief Executive Officer and/or the Managing Director of the Company. *Provided*, further, in the event of any reduction in Continuing Shareholders' shareholding in the Company such that Continuing Shareholders become disentitled to appoint any of the Continuing Shareholders' Director and / or Mr. PVN Raju pursuant to Article 203, Continuing Shareholders shall no later than 3 (three) Business Days from such disentitlement, remove, or procure the resignation of, the concerned Continuing Shareholder(s) and / or Mr PVN Raju as Director(s), and / or, as members of each Committee of the Board.

#### **ALTERNATE DIRECTOR**

207. Each of the Acquirer, the Continuing Shareholders and the Third Party Transferee (entitled to nominate a Director in accordance with Article 203) shall be entitled to nominate an individual to act as an alternate to an existing Director appointed by it (“**Original Director**”), during the absence of the Original Director and as permitted under the Act. Upon receipt of such nomination from Acquirer, the Continuing Shareholders or the Third Party Transferee (as the case maybe), the Board shall take all such steps as may be required under Applicable Law, to appoint such individual as an alternate Director (“**Alternate Director**”). Such Alternate Director shall be entitled to receive notice of all meetings of the Board and of all Committees for which the Original Director is a member along with all relevant papers in connection therewith, be counted as part of the quorum of the Board or the relevant Committee, and attend and vote at any meetings at which the Original Director is not present and generally in the absence of the Original Director to do all things which the Original Director is authorized or empowered to do and generally to perform all functions of a Director. An Alternate Director appointed under this Article 207 shall not hold office for a period longer than that permissible to the Original Director in whose place such Alternate Director has been appointed and shall vacate office if and when the Original Director returns to India. Upon the appointment of an Alternate Director, the Company shall ensure compliance with the provisions of the Act, including by filing necessary forms with the relevant Registrar of Companies.

#### **COMMITTEES**

208. The Board may set up such Committees of the Board as it deems fit from time to time and the Continuing Shareholders shall, subject to the Continuing Shareholders being entitled to appoint one Continuing Shareholders’ Director in accordance with the terms of these Articles, be entitled to require one Continuing Shareholders’ Director to be nominated onto each such committee.

#### **MISCELLANEOUS PROVISIONS WITH RESPECT TO THE BOARD OF DIRECTORS**

209. 1 (one) Continuing Shareholders’ Director and 1 (one) Acquirer Director as may be designated by Acquirer shall not be liable to retire by rotation. In the event any Continuing Shareholders’ Director, Mr. PVN. Raju (in the case he is appointed as a Director) and / or Acquirer Director(s) are liable to retire by rotation under Applicable Law, the Acquirer and the Continuing Shareholders shall take all steps including casting their votes to facilitate the reappointment of such Directors immediately following any such Directors’ retirement. Each Shareholder shall take all necessary actions, including exercising their voting rights and causing their respective nominee Directors on the Board to exercise their voting rights in a manner so as to cause nominee Directors of the Acquirer and the Continuing Shareholders to be appointed and remain on the Board in accordance with Article 203, subject to the other terms and conditions of these Articles.
210. The Directors shall not be required to hold any qualification shares.
211. Subject to the provisions of the Act and these Articles, the Board shall have the authority to appoint Directors as additional Directors on the Board, from time to time.

212. Directors shall be entitled to examine the books, accounts and records of the Company and shall have free access, at all reasonable times and with prior reasonable written notice, to any and all properties and facilities of the Company. The Company shall provide such Information relating to the business affairs and financial position of the Company or its Subsidiaries, as the Directors may reasonably require.
213. The Directors shall keep all Information and other material provided to them in relation to the Company and its business confidential and shall use such Information only for carrying out the purposes of these Articles or discharging their duties as Directors of the Company.
214. The Directors shall at all times be covered under a directors' and officers' insurance policy from a reputed insurance company and for an amount of US\$ 5,000,000 (United States Dollars Five Million). In addition, subject to the provisions of Applicable Law, the Company shall indemnify, defend and hold harmless the Directors promptly upon demand at any time and from time to time, from and against any and all Losses to which the Directors may become subject, including Losses pursuant to any claim against the Directors or to which the Directors are made a party, insofar as such Losses arise out of, in any way relate to, or result from the Directors, holding a position on the Board and/or Committees thereof, but excluding any Loss arising out of fraudulent action, gross negligence or willful default of the concerned Director.

#### **BOARD MEETINGS**

215. The Board shall meet at least once every calendar quarter in such a manner that not more than 120 (one hundred and twenty) days shall intervene between 2 (two) consecutive Board Meetings. The date and venue of each Board Meeting shall be fixed with prior consultation with the Continuing Shareholders; which for the avoidance of doubt shall be non-binding.

#### **NOTICE OF BOARD MEETINGS**

216. At least 7 (seven) days prior written notice shall be given to each of the Directors of any Board Meeting. Provided, however, subject to Applicable Law, a Board Meeting may be held at shorter notice only with the prior written consent of any one of the Continuing Shareholders' Director; which for the avoidance of doubt, may be waived by any one of the Continuing Shareholders' Director or Mr. PVN Raju (in the event Mr PVN Raju is a Director) in writing, prior to such meeting, at shorter notice.
217. Every notice convening a Board Meeting shall set forth in reasonably sufficient detail each item of the business to be transacted thereat, and no item or business shall be transacted at such meeting, unless the same has been stated in reasonably sufficient detail in the notice convening the meeting. The draft resolutions and other documents for all matters to be considered at the Board meeting must be furnished to all the Directors at least 7 (seven) days prior to the date of the proposed Board Meeting, except where such meeting is called on shorter notice, in accordance with the terms of these Articles, in which case these must be furnished to all Directors including the Continuing Shareholders' Directors in advance

of the meeting as soon as reasonably practical.

### **QUORUM FOR BOARD MEETINGS**

218. The quorum for a Board Meeting shall be one-third of its total strength or 2 (two) Directors, whichever is higher, provided that (i) either one Continuing Shareholders' Director or Mr. PVN. Raju (in the event Mr PVN Raju is a Director) and (ii) at least 1 (one) Acquirer Director shall be present at each such meeting to constitute a valid quorum, unless such quorum requirement is waived in writing by the Continuing Shareholders at the beginning of or prior to such Board Meeting.
219. If a quorum as required under Article 218 is not present at a Board Meeting within half an hour of the time appointed for a properly convened meeting or if the quorum ceases to exist at any time during the meeting, the meeting shall be adjourned to be held at the same day, place and time in the succeeding week. At such adjourned meeting, the Board members present shall, subject to the provisions of the Act, constitute a quorum; provided that the Company shall continue to comply with the provisions of Articles 233 to 235 and no Continuing Shareholders Affirmative Vote Matter shall be discussed or voted upon at such meeting in the absence of any one of the Continuing Shareholders' Directors (unless already consented / dissented to, or waived in writing by the Continuing Shareholders' Directors).

### **DECISIONS OF THE BOARD**

220. Decisions of the Board shall be taken by simple majority of Directors present and voting at the meeting, except where any Continuing Shareholders Affirmative Vote Matter is being considered in which case the process laid down in Articles 233 to 235 shall apply.

### **RESOLUTION BY CIRCULATION**

221. Subject to provisions of the Act and these Articles, a resolution passed by circulation shall be as valid and effectual as a resolution duly passed at a meeting of the Board or any Committee thereof called and held, provided, it has been circulated in draft form, together with the relevant papers, if any, to all the Directors, with respect to an action by the Board or to all members of the Committee, with respect to an action by such Committee, and subject to Articles 233 to 235, has been approved by a majority of the Directors entitled to vote thereon.

### **DIRECTORS' FEES AND EXPENSES**

222. The payment of compensation and sitting fees and reimbursement of travel, boarding and lodging expenses incurred by the Directors in attending Board, Subsidiary board of directors and Committee meetings, meetings of the Shareholders and other official business of the Company shall be subject to Applicable Law and governed by the policy of the Company in this regard in effect from time to time.

### **MISCELLANEOUS PROVISIONS WITH RESPECT TO MEETINGS OF THE BOARD**

223. The provisions of these Articles relating to Board Meetings shall be applicable *mutatis mutandis* to meetings of any Committees constituted by the Board, meetings of the Board of any Subsidiary or Committees thereof.
224. Subject to Applicable Law, the Directors including the Continuing Shareholders' Directors and Mr. PVN. Raju (in the event Mr PVN Raju is a Director) may participate in Board Meetings by audio-visual or video conferencing or any other means of contemporaneous communication as recognized under the Act.
225. Each Board Meeting or any meeting of the Committee(s) shall be chaired by a chairman ("**Chairman**") who shall be a Director nominated by the Acquirer on the Board. The Chairman shall have a second / casting vote, in case of an equality of votes.
226. Mr. PVN. Raju shall be designated the '**Honorary Chairman**'; provided that such designation shall not confer any rights or obligations of a Chairman onto Mr. PVN. Raju as set out under these Articles or under Applicable Law. Provided further, such designation shall not confer any rights or obligations of a Director onto Mr. PVN Raju, unless Mr. PVN Raju is appointed as a Director in accordance with these Articles.

### **GENERAL MEETINGS OF SHAREHOLDERS**

227. General Meetings shall be held as per the provisions and requirements of the Act and these Articles. Without prejudice to the generality of the foregoing, the Company shall hold at least 1 (one) annual General Meeting in any given calendar year, which shall be held within 6 (six) months after the end of each Financial Year of the Company (unless permitted otherwise by Applicable Law). All other General Meetings of the Shareholders shall be extraordinary General Meetings.

### **NOTICE OF GENERAL MEETINGS**

228. At least 21 (twenty-one) days' prior written notice of every General Meeting shall be given to all Shareholders whose names appear on the register of members of the Company. Subject to Applicable Law, a General Meeting may be called by giving shorter notice with the prior written consent of the Continuing Shareholders, which for the avoidance of doubt may be waived in writing by the Continuing Shareholders prior to such meeting convened at shorter notice.
229. The notice shall specify the place, date and time of the General Meeting. Every notice convening a General Meeting shall set forth in reasonably sufficient detail the business to be transacted thereat, and no business shall be transacted at such meeting unless the same has been stated in the notice convening the General Meeting. The draft resolutions and other documents for all matters to be considered at the General Meeting must be furnished to all the Shareholders whose names appear on the register of members at least 21 (twenty one) days prior to the date of the proposed General Meeting, except where such meeting is called on shorter notice in accordance with the terms of these Articles, in which case these must be furnished to all Shareholders whose names appear on the register of members including the Continuing Shareholders as much in advance of the meeting as reasonably

practical.

### QUORUM FOR GENERAL MEETINGS

230. The quorum for a General Meeting shall be in accordance with the Act, provided that an authorized representative / proxy of the Continuing Shareholders and Acquirer must be present to form a quorum for a valid General Meeting, unless the Continuing Shareholders provide written notice prior to commencement of any General Meeting or adjourned meeting waiving the requirement of its presence to constitute valid quorum for a particular General Meeting or adjourned meeting, as the case may be.
231. If a quorum is not present within half an hour of the appointed time for a properly convened General Meeting or ceases to exist at any time during the meeting, the meeting shall be adjourned, to the same day, place and time in the succeeding week (it being understood that the agenda for such adjourned meeting shall remain unchanged, unless otherwise agreed between the Acquirer and Continuing Shareholders).
232. In the event quorum (as described in Article 230) is not present in the meeting adjourned under Article 231 above, within 30 (thirty) minutes of the scheduled time, the members present shall, subject to the provisions of the Act and the presence of the Acquirer's representative, constitute a quorum, provided that the Company shall continue to comply with the provisions of Articles 233 to 235 and no Continuing Shareholders Affirmative Vote Matter shall be discussed or voted upon at such General Meeting in the absence of a representative/ proxy of the Continuing Shareholders (unless already consented / dissented to).

### CONTINUING SHAREHOLDERS AFFIRMATIVE VOTE MATTERS

233. Notwithstanding any other provision of these Articles or any power conferred upon the Board but subject to any additional requirements imposed under Law;
- (a) so long as the Continuing Shareholders own at least 11% (eleven per cent) of the Share Capital; no action shall be taken by the Company, and the Company and Acquirer shall take all such steps within their Control to ensure that no action shall be taken by the Company (i) at any Board Meeting or Committee thereof or by resolution passed by circulation by the Directors, or (ii) at any General Meeting, or (iii) in any other manner otherwise, in relation to any of the matters set forth in Part A of **Annexure 1** to Part B of these Articles (the "**Additional Affirmative Vote Matters**"), without such matter first being approved or rejected by the Continuing Shareholders in writing in the manner contemplated under Article 234 below; and
  - (b) so long as the Continuing Shareholders own at least 5% (five percent) of the Share Capital but less than 11% (eleven per cent) of the Share Capital; no action shall be taken by the Company, and the Company and Acquirer shall take all such steps within their Control to ensure that no action shall be taken by the Company (i) at any Board Meeting or Committee thereof or by resolution passed by circulation by the Directors, or (ii) at any General Meeting, or (iii) in any other manner otherwise, in relation to

any of the matters set forth in Part B of **Annexure 1** to Part B of these Articles (the “**Affirmative Vote Matters**”), without such matter first being approved or rejected by the Continuing Shareholders in writing in the manner contemplated under Article 234 below.

234. All the decisions on the Continuing Shareholders Affirmative Vote Matters shall be first considered by the Board before it is considered by the Shareholders of the Company or any action in relation to such Continuing Shareholders Affirmative Vote Matters is taken otherwise. If a Board meeting is convened to transact one or more of the Continuing Shareholders Affirmative Vote Matters, details of such Continuing Shareholders Affirmative Vote Matters, as the case may be, including all relevant Information which would be provided to the Board shall be provided to the Continuing Shareholders at least 7 (seven) days prior to the date of the Board meeting. The Company and the Acquirer shall also provide the Continuing Shareholders with any further Information reasonably in relation to such Continuing Shareholders Affirmative Vote Matter reasonably requested to by the Continuing Shareholders. Upon a review of the Information provided to the Continuing Shareholders, the Continuing Shareholders will be entitled to consent or dissent to any proposed decision or action. In the event the Continuing Shareholders provide a written notice to the Company notifying its dissent to all or any of the Continuing Shareholders Affirmative Vote Matters proposed to be transacted, the Company shall not take any decisions or actions in relation to such Continuing Shareholders Affirmative Vote Matter. The Continuing Shareholders will be deemed to have dissented to any proposed Continuing Shareholders Affirmative Vote Matter if they have not provided their written consent to a Continuing Shareholders Affirmative Vote Matter or otherwise not provided any written notice to the Company in respect of a Continuing Shareholders Affirmative Vote Matter, prior to the proposed meeting of the Board where such Continuing Shareholders Affirmative Vote Matter is proposed to be passed or adopted.
235. The principles set out in the Articles 233 to 235 are fundamental to the governance of the Company and Acquirer, the Company and the Continuing Shareholders shall not commit any act or omission that would violate or prejudice the spirit and intent of the Articles 233 to 235. It is further expressly clarified that if any other provision of these Articles conflicts with the provisions of the Articles 233 to 235, the provisions of Articles 233 to 235 shall prevail and be given effect to.

#### **GENERAL ACCESS**

236. The Company shall allow the Continuing Shareholders and their representatives, the right during normal business hours of the Company with reasonable prior notice to the Company, to inspect its books and accounting records and to have reasonable access to all of the Company’s property and assets, subject to the Continuing Shareholders giving reasonable prior notice to the Company.

#### **FINANCIAL ASSISTANCE**

237. The Continuing Shareholders shall not be required to Encumber any Equity Securities held



by them in the Company or provide any guarantee, funds or any other financial assistance or undertaking to any third party including to the lenders of the Company for meeting any funding/financing requirements.

### **INFORMATION COVENANTS**

238. Subject to Applicable Law, the Company shall take all reasonable steps to provide to the Continuing Shareholders the following:
- (a) audited financial statements, together with the auditor's report thereon within 120 (one hundred and twenty) days from the end of each Financial Year for the immediately preceding Financial Year;
  - (b) unaudited annual financial statements within 60 (sixty) days after the end of each Financial Year for the immediately preceding Financial Year;
  - (c) quarterly MIS (in mutually agreed format) and quarterly financial statements in such format agreed to by the Acquirer and the Continuing Shareholders within 45 (forty-five) days after the end of each financial quarter for the immediately preceding financial quarter;
  - (d) unaudited monthly financial statements, including 'flash reports' within 15 (fifteen) working days after the end of each calendar month for the immediately preceding calendar month;
  - (e) the minutes of Board meetings and General Meetings within 15 (fifteen) days of the relevant meeting or immediately upon finalization of the same in accordance with Applicable Law; and
  - (f) copies of any documents or Information reasonably requested for by the Continuing Shareholders.

### **SUBSIDIARIES**

239. The Company shall ensure that the Company exercises its rights in all of its Subsidiaries in a manner that ensures that the Continuing Shareholders' rights under these Articles are not prejudiced.
240. All rights available to the Continuing Shareholders with respect to Articles 201 to 214, Articles 233 to 235, Articles 236 to 238 applicable at the Company level shall apply *mutatis mutandis* to Subsidiaries of the Company.

### **BUSINESS PLAN**

241. The business plan for each Financial Year shall be prepared and submitted by the management team of the Company for approval by the Board not less than 30 (thirty) days prior to the end of the previous Financial Year ("**Business Plan**"). The Business Plan shall include: (i) a quarterly budget for the Financial Year with a profit and loss account,

balance sheet and cash flow statement; (ii) an operating plan; (iii) details of any material capital expenditure; (iv) details of requirement for external debt or equity financing and (v) detailed description of the anticipated status of product development and product roll-out.

#### **APPOINTMENT OF MANAGERIAL PERSONNEL**

242. The Continuing Shareholders shall be entitled to nominate the chief operating officer and the chief technical officer of the Company and the Acquirer shall be entitled to nominate the chief financial officer and financial controller of the Company.
243. The appointment of any person as the chief operating officer, the chief technical officer, the chief financial officer or the financial controller shall be subject to the approval of the Board provided that the Board shall, in good faith, consider the nominations of the Continuing Shareholders and the Acquirer of such employees in accordance with Article 242 above.
244. In the event the Continuing Shareholders nominate certain Person(s) as the chief operating officer and / or the chief technical officer of the Company, and the Board rejects such nomination and appoints any other Person(s) as the chief operating officer and the chief technical officer of the Company, Dr. Ravi, in his capacity as the CEO & MD of the Company, shall make reasonable efforts in good faith to cooperate and perform his obligations as the CEO & MD of the Company by working with persons appointed by the Board as the chief operating officer or the chief technical officer of the Company. If, any time after expiry of 6 (six) months following the appointment of a chief operating officer or the chief technical officer (in each case being Persons who were not nominated by the Continuing Shareholders), Dr. Ravi notifies the Board and the Acquirer on reasonable grounds that he is unable to effectively discharge his duties as the CEO & MD of the Company on account of disputes and disagreements with the chief operating officer and / or the chief technical officer (in each case, provided such Person has not been nominated by the Continuing Shareholders), Dr. Ravi shall be entitled to nominate to the Board no later than 5 (five) Business Days from the expiry of such 6 (six) months period, any other Person(s) as the chief operating officer and the chief technical officer (“**New Nominee**”). Provided, however, in the event the Board rejects the nomination of such New Nominee(s) as well, such event shall be deemed to be a Deadlock (as defined below) and the consequences set forth in Articles 278 to 284 shall follow. For the sake of clarity, in the event Dr. Ravi notifies the Board and the Acquirer that he is unable to effectively discharge his obligations as the CEO & MD as a result of the chief operating officer or the chief technical officer and such Person was originally nominated by the Continuing Shareholders and was appointed by the Board after taking into consideration such nomination by Dr. Ravi, such an event shall not constitute a Deadlock for the purposes of these Articles, and the events set out in Articles 278 to 284 shall not follow.

#### **CONTINUING SHAREHOLDERS’ REPRESENTATIVE**

245. The Continuing Shareholders together and their transferee Affiliates (acquiring any shares in accordance with these Articles), for so long as each owns shares in the Company

(“**Continuing Shareholder Group**”), shall be treated as a single party and their rights, obligations and undertakings hereunder shall be joint and several, and a breach by any one Person in the Continuing Shareholder Group of its rights, obligations or undertakings hereunder shall be deemed as a collective breach by the other members of the Continuing Shareholder Group of their respective rights, obligations or undertakings hereunder. It is clarified that in the event there is no transferee Affiliate (acquiring any Shares in accordance with these Articles), the Continuing Shareholders together shall be deemed as the “**Continuing Shareholder Group**.”

246. The Continuing Shareholder Group shall forthwith nominate Dr. Ravi as the representative of the Continuing Shareholder Group (the “**Continuing Shareholder Group Representative**”), who shall (a) act for and on behalf of each member of the Continuing Shareholder Group under these Articles in respect of any right, action or waiver to be exercised by any member of the Continuing Shareholder Group and (b) be responsible for causing each member of the Continuing Shareholder Group to perform its obligations and undertakings hereunder. Any notice given by or to the Continuing Shareholder Group Representative under these Articles shall be deemed also to be given by or to the other members of the Continuing Shareholder Group, as the case may be. Provided, further, for such purpose, each member of the Continuing Shareholder Group shall duly execute a power of attorney in favor of Dr. Ravi appointing him as the duly constituted attorney of each member of the Continuing Shareholder Group, so as to enable him to perform his roles and responsibilities as set out under this Article 246.
247. Until the date that the Continuing Shareholders cease to hold at least 5% (five per cent) of the Share Capital, Continuing Shareholders shall permit the Company to continue to lease all premises that are leased by the Company as of the date of the Promoter SHA, on arm’s length commercial terms.

#### **GENERAL TRANSFER RESTRICTIONS**

248. The Shareholders undertake that none of them shall, directly or indirectly, Transfer any Equity Security or any legal or beneficial interest therein, except in compliance with these Articles.
249. Any agreement or arrangement to Transfer any Equity Securities or any legal or beneficial interest therein by any Shareholder, other than in the manner set out in these Articles shall be null and void. The Company shall not record any such Transfer or agreement or arrangement to Transfer on its books and shall not recognize or register any equitable or other claim to, or any interest in, such Equity Securities or any legal or beneficial interest therein, which are purported to have been Transferred in any manner other than as permitted under these Articles and all such attempted Transfers shall be deemed to be *ultra vires* these Articles.
250. The restrictions in these Articles shall not be capable of being avoided by the holding of Equity Securities indirectly through a company or other entity that can itself be Transferred in order to dispose of the Equity Securities free of such restrictions.

251. Without the prior written approval of the Acquirer, the Continuing Shareholders will not be permitted to Transfer their shares to a Competitor under any circumstances whatsoever, including an Affiliate which is a Competitor.

#### **RIGHT OF FIRST REFUSAL**

252. If any Continuing Shareholder (“**Transferor**”) wishes to directly or indirectly Transfer by way of sale, all or any of its Equity Securities (or any interest therein) (“**Offered Shares**”) to any Person (other than the Acquirer or its Affiliates) who has made a *bona fide* offer for the Offered Shares (“**Transferee**”), then the Transferor will be under an obligation to first offer all of its legal and beneficial interest in the Offered Shares to the Acquirer or its nominee, in accordance with this Article 252 (“**Right of First Refusal**”) and the following procedures shall be complied with:
- (a) The Transferor shall notify the Acquirer in writing (“**Transfer Notice**”) of its intention to Transfer the Offered Shares, and the Transfer Notice shall set out: (i) maximum number of Equity Securities that is proposed to form part of the Offered Shares, (ii) the name and address of the prospective Transferee, (iii) price per Share offered by the Transferee for acquiring the Offered Shares and the total amount of consideration (“**Offer Price**”), (iv) a representation stating that no consideration (tangible or intangible) is being provided to the Transferor that is not reflected in the consideration to be paid to the Transferor in this Article 252, and (v) details of any other material terms and conditions of such proposed Transfer of the Offered Shares.
  - (b) Within a period of 30 (thirty) days from receipt of the Transfer Notice by the Acquirer (“**Acceptance Period**”), the Acquirer may notify the Transferor by way of a letter of acceptance (“**Acceptance Letter**”) that it wishes to purchase the Offered Shares, either by itself or through any other Person as may be nominated by Acquirer at its discretion (which Person shall upon such nomination be considered to be the “Acquirer” for the purposes of this Article 252) at the Offer Price and upon the terms and conditions set out in the Transfer Notice, provided that if the Acquirer is required to obtain any approval from Governmental Authorities for the consummation of the purchase, such fact shall be disregarded when the Continuing Shareholders determine whether the proposed purchase set forth in the Acceptance Letter is at the Offer Price and upon the terms and conditions set out in the Transfer Notice, and in no event shall the fact that the Acquirer is required to obtain any approval from Governmental Authorities for the consummation of the purchase be a factor against the Acquirer in exercising its rights under this Article 252.
  - (c) In the event that the Acquirer agrees to purchase the Offered Shares of the Transferor by informing the Transferor by way of an Acceptance Letter, the Transfer of the Offered Shares by the Transferor to the Acquirer shall be completed within 30 (thirty) days of receipt of Acceptance Letter by the Transferor on the same terms and conditions as set out in the Transfer Notice, provided that

such 30 (thirty) day period may be extended by such further period in the manner set forth in the Promoters SHA in order to enable the Acquirer and / or Transferor obtain any approvals required from any Governmental Authorities to consummate such transaction provided that the Acquirer and Transferor shall, in order to be entitled to such extended timelines, be required to take all reasonable steps to procure necessary approvals expeditiously. Subject to the terms of this Article, a Transfer Notice once made shall be binding, irrevocable and unconditional and issuance of an Acceptance Letter shall result in a binding agreement between the Transferor and the Acquirer in respect of the Offered Shares on the terms and conditions specified in the Transfer Notice and as provided above.

- (d) If the Acquirer (i) has not served any Acceptance Letter; or (ii) declines to purchase the Offered Shares within the Acceptance Period; or (ii) fails to communicate acceptance/ rejection during the Acceptance Period; or (iv) fails to complete the sale and purchase of the Offered Shares within the timelines contemplated under Article 252 (c) above, the Transferor and the Transferee shall complete the Transfer of the Offered Shares at terms and conditions, including the Offer Price, not more favourable than those offered to the Acquirer in the Transfer Notice, within a period of 30 (thirty) days from the earlier of the affirmative decline by the Acquirer or expiry of the Acceptance Period provided that such 30 (thirty) day period may be extended by such further period as mutually decided by the Transferee and Transferor as may be reasonably required to comply with the Applicable Law in order to enable the Transferee obtain any approvals required from any Governmental Authorities to consummate such transaction provided that the Transferee and Transferor shall, in order to be entitled to such extended timelines, be required to take all reasonable steps to procure necessary approvals expeditiously (“**Sell-Off Period**”).
- (e) If the Transferor and the Transferee fail to complete the Transfer of the Offered Shares within the Sell-Off Period, the Transferor shall once again comply with the provisions of this Article 252 for any subsequent sale of its Equity Securities.
- (f) Any Transfer of shares by the Transferor to the Transferee shall be subject to such Transferee executing a deed of adherence in the form as agreed between the parties to the Promoter SHA. The Transferee shall be bound by all the obligations of the Continuing Shareholders under these Articles.
- (g) Notwithstanding anything to the contrary contained in these Articles, in the event that the Existing Investors exercise their tag along right in accordance with the terms of Articles 354 to 365 over any proposed transfer of Equity Securities by the Continuing Shareholders, the Continuing Shareholders shall be entitled to include all shares required to be tagged along on such sale by the Continuing Shareholders as part of the Offered Shares.

#### **TAG ALONG RIGHT**

253. Subject to Articles 248 to 251, in the event the Acquirer (“**Selling Shareholder**”)

proposes to Transfer any or all of its Equity Securities to any third party (other than an Affiliate of the Selling Shareholder) (“**Proposed Acquirer**”), the Selling Shareholder shall give a written notice (hereinafter referred to as “**Tag Offer Notice**”) to the Continuing Shareholders of such proposed Transfer. The Tag Offer Notice shall state (i) the total number of Equity Securities proposed to be Transferred (“**Sale Shares**”) by the Selling Shareholder, (ii) the name and address of the Proposed Acquirer, (iii) the total number of shares which can be tagged along by the Continuing Shareholders, which shall be: (x) in case the Selling Shareholder proposes to Transfer less than 25% (twenty-five per cent) of the Equity Securities in the Company, such number of shares as is equal to the Equity Securities held by the Continuing Shareholders on the date of actual transfer by the Selling Shareholder multiplied by a fraction, the numerator of which is the total number of Sale Shares and the denominator of which is the total number of Equity Securities held by the Selling Shareholders in the Company and (y) in case the Selling Shareholder proposes to Transfer at least 25% (twenty-five per cent) of the Equity Securities in the Company, all the Equity Securities held by the Continuing Shareholders on the date of actual transfer by the Selling Shareholder (in each case as mentioned in (x) and (y) of the preceding sentence, the “**Tag Shares**”); and (iv) the proposed sale price, including the proposed amount and form of consideration (the “**Tag Offer Price**”) and any other material terms and conditions offered by the Proposed Acquirer.

254. On receipt of the Tag Offer Notice, the Continuing Shareholders shall have the right (the “**Tag Along Right**”) (but not the obligation) to require the Selling Shareholder to ensure that the Proposed Acquirer purchases the Tag Shares from the Continuing Shareholders, for the same consideration as to be paid to the Selling Shareholder by the Proposed Acquirer and on the same terms and conditions applicable in respect of sale of the Sale Shares.
255. Within 30 (thirty) days following the receipt of the Tag Offer Notice (“**Tag Offer Period**”), if the Continuing Shareholders elect to exercise their Tag Along Right, they shall deliver a written notice of such election to the Selling Shareholder (“**Tag Along Notice**”). Such notice shall be irrevocable and shall constitute a binding agreement by the Continuing Shareholders to sell the Tag Shares on the terms and conditions (including the Tag Offer Price) set forth in the Tag Offer Notice and at the same time as the sale of the Sale Shares is consummated.
256. Where the Continuing Shareholders have elected to exercise the Tag Along Right, the Selling Shareholder shall ensure that the Proposed Acquirer shall purchase the Tag Shares from the Continuing Shareholders simultaneous to the consummation of the purchase of the Sale Shares from the Selling Shareholder. The Selling Shareholder shall not be entitled to sell/Transfer any of the Sale Shares to the Proposed Acquirer unless the Proposed Acquirer simultaneously purchases and pays for all the Tag Shares.
257. In the event the Continuing Shareholders do not issue a Tag Along Notice within the Tag Offer Period, the Continuing Shareholders shall be deemed to have elected not to exercise the Tag Along Right and not sell the Tag Shares, and the Selling Shareholder shall be entitled to sell and Transfer all the Sale Shares to the Proposed Acquirer mentioned in the

Tag Offer Notice. If completion of the sale and Transfer to the Proposed Acquirer does not take place within a period of 60 (sixty) days following the expiry of the Tag Offer Period, the right of the Selling Shareholders to sell the Sale Shares to the Proposed Acquirer shall lapse and the provisions of the Articles 253 to 261 shall once again apply to the Sale Shares.

258. The sale and purchase of the Sale Shares and the Tag Shares shall be subject to and in accordance with Applicable Laws. For avoidance of doubt, it is clarified that the Tag Along Right of the Continuing Shareholders and any obligation on the Selling Shareholder to facilitate the sale of the Tag Shares under the Articles 253 to 261 shall be subject to consummation of sale and Transfer of the Sale Shares by the Selling Shareholder to the Proposed Acquirer and in the event such sale and Transfer does not take effect for any reason, the Tag Along Right of the Continuing Shareholders with respect to the Sale Shares shall lapse and all actions taken with respect to sale and Transfer of the Tag Shares shall become ineffective and be reversed, if necessary.
259. Notwithstanding anything to the contrary contained in these Articles, in the event that the Existing Investors exercise their tag along right in accordance with the terms of Articles 354 to 365 over any proposed transfer of Equity Securities by the Continuing Shareholders, the Continuing Shareholders shall be entitled to include all shares required to be tagged along on such sale by the Continuing Shareholders as part of the Tag Shares, provided such Equity Securities are permitted to be Transferred under Applicable Law. In such a case, it is further clarified that the number of Equity Securities that the Continuing Shareholders shall be entitled to transfer in accordance with Articles 253 to 261 hereto shall be determined assuming that the Equity Securities being tagged along by the Existing Investors pursuant to Articles 354 to 365 are also held by the Continuing Shareholders, and such Equity Securities shall form part and parcel of the Tag Shares.
260. The Continuing Shareholders shall provide all requisite and customary indemnity backed representations and warranties, with respect to authority, title to their respective shares, approvals and Tax obligations of the Continuing Shareholders in relation to the proposed Transfer of the Tag Shares.
261. In the event the Continuing Shareholders exercise the Tag Along Right under the Articles 253 to 261 and the Proposed Acquirer fails to consummate the purchase of the Tag Shares in the manner contemplated herein for any reason whatsoever, the Selling Shareholder and the Continuing Shareholders shall not transfer any Equity Securities to the Proposed Acquirer.

### **PERMITTED TRANSFERS**

262. Notwithstanding anything to the contrary contained in these Articles, but subject to Articles 248 to 251, the Continuing Shareholders shall, at all times, be free to Transfer all or any of the Equity Securities to: (i) any Person (other than an individual) provided that such Person is wholly owned and Controlled by Dr. Ravi and / or his Immediate Relatives or (ii) in the case the proposed transferee is a trust, the trustees of such trust are Dr. Ravi and/ or his Immediate Relatives constituting a majority of trustees of such trust, and other

professional trustee(s) (to be identified by Continuing Shareholders prior to the Closing Date and approved by Acquirer in writing),; exclusively for estate planning purposes (collectively the “**Permitted Transferees**”). In the event any such Transfers are effected, the Continuing Shareholders and the Permitted Transferees shall jointly exercise the rights available to the Continuing Shareholders under these Articles as a single block, and shall be considered as a group for the purposes of these Articles, and their rights, obligations and undertakings in relation to these Articles shall be exercised jointly in accordance with the provisions of Articles 245 to 247, the provisions of which shall apply on a *mutatis mutandis* basis to such group. Continuing Shareholders shall ensure that any replacement, removal, appointment, etc., of such professional trustee referred to in this Article 262 shall require the approval of Acquirer in writing.

263. The shareholders of Gland Celsus have proposed a merger of Gland Celsus with KP Advisory Services Private Limited, a holder of approximately 85% (eighty-five per cent) of the equity share capital of Gland Celsus. None of the restrictions on transfers of Equity Securities held by the Gland Celsus shall apply to the proposed merger of Gland Celsus with KP Advisory Services Private Limited. It is clarified that upon consummation of the aforesaid merger, KP Advisory Services Private Limited shall be considered as a Continuing Shareholder (instead of Gland Celsus) for the purposes of the Charter Documents, and shall be bound by the terms and conditions hereof, as applicable to the Continuing Shareholders. Gland Celsus shall provide to the Acquirer the final shareholding pattern on a Fully Diluted Basis of KP Advisory Services Private Limited post such merger.
264. Any Transfer of Equity Securities by the Continuing Shareholders to the Permitted Transferee shall be subject to the Permitted Transferee executing a deed of adherence in the form as agreed between the parties to the Promoter SHA. The Permitted Transferee shall be bound by all the obligations of such Continuing Shareholder under these Articles (including under Articles 245 to 247), and bound by the term and conditions hereof, generally.

### **QIPO**

265. The Company and the Acquirer shall take all reasonable steps as may be required to provide an exit (or liquidity for its investment in the Company) to the Continuing Shareholders, on or prior to the expiry of 5 (five) years from the Closing Date (the “**Exit Period**”), by undertaking and completing a QIPO in accordance with Articles 265 to 272. Provided, further, the Continuing Shareholders shall, and shall cause the Continuing Shareholders’ Director to provide all reasonable assistance as may be required by the Acquirer and Company to facilitate the consummation of the QIPO within the Exit Period.
266. The decision to undertake a QIPO (including the determination of the timing of the QIPO) shall be made by the Board subject to the terms of these Articles.

### **QIPO PROCEDURE**

267. Subject to Applicable Laws, a QIPO may be either through a new issue of Equity



Securities or by way of an offer for sale of the Equity Securities, or a combination of both, as may be determined by the Board and based on the advice of an independent investment bank of international repute approved by the Board for purposes of the QIPO.

268. The Continuing Shareholders shall have the right (but not the obligation) to offer all or part of their Equity Securities in the Company at their sole discretion, in an offer for sale as part of the QIPO, in priority to all other Shareholders of the Company. Provided that if the Existing Investors exercise their tag along right in accordance with the terms of Articles 354 to 365 over any proposed transfer of Equity Securities by the Continuing Shareholders, the Continuing Shareholders shall, subject to Applicable Law, be entitled to require all shares being tagged along on such sale by the Continuing Shareholders also as part of the offer for sale component of the QIPO in priority to all other Shareholders of the Company.
269. Subject to the decision of the Board, requirements under Applicable Law and the requirements of the manager(s) of the QIPO, the Acquirer, Continuing Shareholders and the Company shall discuss in good faith, and if agreed by the Continuing Shareholders in writing, the Company shall be permitted to represent the Continuing Shareholders as “promoters” of the Company in connection with the QIPO or any documents filed with any Governmental Authority in connection therewith, and the Continuing Shareholders agree to comply with any promoter lock-in requirement in respect of the Equity Securities held by the Continuing Shareholders, in connection with the QIPO if required under Applicable Law, so as to facilitate the QIPO.
270. In the event the Continuing Shareholders do not agree to be represented as “promoters” of the Company in connection with the QIPO or any documents filed with any Governmental Authority in connection therewith, the Continuing Shareholders shall not be required, in connection with the QIPO or upon listing or sale of its Equity Securities, to give any representations, warranties or indemnities to any underwriter, broker, Recognised Stock Exchanges, any Governmental Authority or any other Person other than in relation to un-Encumbered title of its Equity Securities if Continuing Shareholders are participating in an offer for sale in the IPO.
271. If required by Applicable Laws, immediately prior to the QIPO, the Acquirer and the Continuing Shareholders shall re-negotiate an amendment to these Articles in good faith to facilitate the QIPO.
272. The terms and conditions of Articles 265 to 272 shall apply to any initial public offer of the Equity Securities (not being a QIPO) as may be approved by the Board on a *mutatis mutandis* basis.

#### **PUT OPTION**

273. Upon the occurrence of any of the following events:
  - (a) the Acquirer materially breaches the terms of these Articles (other than the terms set forth in Articles 233 to 235 or Articles 253 to 261 (Tag Along Right)), which

breach is not cured within a period of 30 (thirty) days of the Acquirer being notified in writing of the same by the Continuing Shareholders;

- (b) the expiry of a one-year period after the Closing Date (“**Initial Waiting Period**”);  
or
- (c) the occurrence of a change in Control of the Acquirer

the Continuing Shareholders shall have the option (“**Put Option**”) exercisable in their sole discretion by written notice to the Acquirer (a “**Put Option Exercise Notice**”) to require the Acquirer to purchase, either directly, or through a designated nominee all of the Equity Securities held by the Continuing Shareholders (“**Put Securities**”) at the Fair Market Value of such Equity Securities, determined in the manner set out in Article 274 below. In case of the occurrence of the event described in Article 273(b), the Continuing Shareholders have the right to exercise the Put Option only once and must exercise the Put Option within 30 (thirty) days after the occurrence of such event by delivering the Put Option Exercise Notice to the Acquirer. For the event described in Article 273(b), the Continuing Shareholders have the right to exercise the Put Option only once and must exercise the Put Option within 1 (one) year after the expiry of the Initial Waiting Period by delivering the Put Option Exercise Notice to the Acquirer; provided that, no later than the 10 (ten) days prior to the expiry of the Initial Waiting Period, the Acquirer shall have the right to terminate the original Put Option provided that the Acquirer grants a new option (“**New Put Option**”) to the Continuing Shareholders by providing a written notice to the Continuing Shareholders, on such terms and conditions as may be determined by Acquirer subject to such New Put Option being at least as favourable to the Continuing Shareholders as the Put Option set forth in Articles 273 to 277. The Continuing Shareholders may exercise the New Put Option only once and must exercise the New Put Option within one year after the expiry of a four-year period following the expiry of the Initial Waiting Period (“**Second Waiting Period**”) if the Company fails to complete a QIPO within the Second Waiting Period. The Continuing Shareholders may exercise the New Put Option by written notice to the Acquirer (a “**New Put Option Exercise Notice**”) to require the Acquirer to purchase, either directly, or through a designated nominee, the Put Securities held by the Continuing Shareholders at the Fair Market Value of such Equity Securities, determined in the manner set out in Article 274 below.

274. Forthwith and in any event within a period of 10 (ten) days from the date receipt of the Put Option Exercise Notice or New Put Option Exercise Notice as applicable, the Continuing Shareholders and Acquirer shall appoint 1 (one) Independent Valuer each at its own cost and expense to determine the Fair Market Value of the Put Securities in accordance with the agreed valuation methodology as agreed Between the parties to the Promoter SHA (“**Agreed Valuation Methodology**”) prior to the expiry of 30 (thirty) days from their respective appointment. In the event the Fair Market Value of the Put Securities as determined by the respective Independent Valuers appointed by each of Acquirer and Continuing Shareholders varies by more than 10% (ten per cent), the Fair Market Value of the Put Securities shall be determined in accordance with the Agreed Valuation Methodology by one of Persons listed as Third Independent Valuer to be appointed

mutually by the Continuing Shareholders and the Acquirer no later than 15 (fifteen) days following the date on which the Fair Market Value of the Put Securities has been determined by both the appointed Independent Valuers. Any such valuer shall be instructed to determine the Fair Market Value prior to the expiry of 15 (fifteen) days from its appointment. Failing mutual agreement between the relevant Shareholder on the choice of such a valuer, on the 16<sup>th</sup> (sixteenth) day following the date on which the Fair Market Value of the Put Securities has been determined by both the appointed Independent Valuers, the identity of the Third Independent Valuer shall be determined by a draw of lots to be presided over by the company secretary of the Company and to be conducted at the registered office of the Company (or such other place as may be mutually agreed by the Acquirer and Continuing Shareholders). The Fair Market Value of the Equity Securities as determined by the Third Independent Valuer shall be final and binding on the Shareholders. Provided, however, in the event the Fair Market Value as determined by the respective Independent Valuers appointed by each of Acquirer and Continuing Shareholders vary by 10% (ten per cent) or less, the average of the Fair Market Values as determined by each of the Independent Valuers so appointed by the Acquirer and Continuing Shareholders shall be considered as the Fair Market Value of the Put Securities, which shall be final and binding on the Shareholders. The Company shall co-operate with each of the Independent Valuers and the Third Independent Valuer appointed in accordance with this Article 274 and provide reasonable access to the Company's books and records for this purpose. The costs and expenses in relation to the Third Independent Valuer shall be borne by the Acquirer and Continuing Shareholders equally. In the event that the Continuing Shareholders exercise the Put Option pursuant to Article 273(b) within one year after the expiry of the Initial Waiting Period, the Fair Market Value of the total Put Securities shall not exceed the price as agreed between the parties to the Promoter SHA, provided further in the event that upon exercise of the Put Option pursuant to Article 273(b) within one year after the expiry of the Initial Waiting Period by the Continuing Shareholders, the Existing Investors exercise their tag along right in accordance with the terms of Articles 354 to 365, the Fair Market Value of the total Put Securities shall be prorated in accordance with the proportionate shareholding inter se the Continuing Shareholders and the Existing Investors.

275. The Acquirer will be obligated to complete the sale and purchase of the Put Securities from the Continuing Shareholders at the Fair Market Value on or prior to the expiry of a period of 60 (sixty) days from the date of determination of the Fair Market Value ("**Put Option Closing Date**"), provided that such 60 (sixty) day period may be extended by such further period in the manner set forth in the Promoter SHA in order to enable the Acquirer and / or Transferor obtain any approvals required from any Governmental Authorities to consummate such transaction provided that the Acquirer and Transferor shall, in order to be entitled to such extended timelines, be required to take all reasonable steps to procure necessary approvals expeditiously. On the Put Option Closing Date, (i) Continuing Shareholders will deliver, against Acquirer's delivery pursuant to the (ii) below, (a) to the Continuing Shareholders' depository participant, authorization in respect of such Put Securities accompanied by appropriate instructions to such depository participant to give effect to the purchase and sale in accordance with Articles 273 to 277, and by delivery thereof each of the Continuing Shareholders shall be deemed to represent

and warrant that it is transferring the Put Securities free and clear of any Encumbrance, and (ii) Acquirer will deliver, against Continuing Shareholders' delivery pursuant to the preceding sub-Article (i), to Continuing Shareholders payment of the Fair Market Value of the Put Securities by wire transfer to such bank account of the Continuing Shareholders details of which shall be intimated to the Acquirer at least 5 (five) Business Days prior to the Put Option Closing Date.

276. The Company and Acquirer shall do all such acts and deeds as may be necessary to give effect to the provisions of these Articles 273 to 277 including obtaining in a timely manner all applicable consents and approvals from any Governmental Authority if required for purposes of consummation of the purchase and sale of the Put Securities as contemplated under these Articles 273 to 277.
277. Notwithstanding anything to the contrary contained in these Articles, if upon exercise of a Put Option by the Continuing Shareholders in accordance with the terms of these Articles, the Existing Investors exercise their tag along right in accordance with the terms of Articles 354 to 365 over the proposed transfer of Equity Securities by the Continuing Shareholders, the Continuing Shareholders shall be entitled to include all shares required to be tagged along on such transfer by the Continuing Shareholders as part of the Put Securities. Provided, further, that in the event the Continuing Shareholders exercise the Put Option within 1 (one) year after the expiry of the Initial Waiting Period pursuant to Article 273(b) and the Existing Investors exercise their tag along right in accordance with the terms of Articles 354 to 365 over the proposed transfer of Equity Securities by the Continuing Shareholders, the total purchase price payable by the Acquirer for the Put Securities and the Equity Securities sought to be tagged along by the Existing Investors along with the Put Securities, shall not exceed the price as agreed between the parties to the Promoter SHA, under any circumstances whatsoever.

### **DEADLOCK**

278. In the event that (i) in relation to any Continuing Shareholders Affirmative Vote Matter, the approval of Continuing Shareholders for that Continuing Shareholders Affirmative Vote Matter cannot be obtained after 2 (two) successive attempts (which attempts, whether in a physical meeting, through a circular resolution or otherwise), or (ii) the Board rejects any New Nominee under Article 244; a deadlock shall be deemed to arise ("the **"Deadlock"**"), and the Board shall immediately upon the occurrence of any Deadlock, refer the subject of the Deadlock to the chief executive officer or the most senior officer of Acquirer and the Continuing Shareholder Group Representative (each an **"Officer"**). Each of the Acquirer and Continuing Shareholders shall procure that its respective Officer shall negotiate in good faith with the other Officer with a view to resolution of such Deadlock for a period of 30 (thirty) days from the date on which the Board referred the Deadlock to the Officers (the **"Resolution Deadline"**). Upon the resolution of such Deadlock in accordance with this Article 278, the Directors and the Shareholders shall be bound to give effect to the agreement reached between the Officers in respect of such matter.
279. In the event that a Deadlock is not resolved by agreement between the Officers within the

Resolution Deadline, then during the 30 (thirty) days period after the Resolution Deadline (the “**Deadlock Option Period**”), Acquirer may elect to cause Continuing Shareholders to sell to Acquirer all of the Equity Securities then held by Continuing Shareholders (“**Deadlock Option Shares**”) on the terms and conditions set forth in these Articles 278 to 284 (the “**Deadlock Call Option**”), at the Fair Market Value of the Deadlock Option Shares as determined in accordance with Article 281 (the “**Option Price**”).

280. Acquirer may exercise the Deadlock Call Option by delivering to Continuing Shareholders a notice to that effect (the “**Deadlock Call Option Notice**”) at any time during the Deadlock Option Period. Upon delivery of a Deadlock Call Option Notice, Continuing Shareholders shall be obligated to sell the Deadlock Option Shares to Acquirer on the terms and conditions provided in these Articles 278 to 284. A Deadlock Call Option Notice shall be irrevocable and unconditional.
281. No later than 5 (five) Business Days of the Acquirer delivering a Deadlock Call Option Notice to the Continuing Shareholders, each of Continuing Shareholders and Acquirer shall appoint 1 (one) Independent Valuer each to determine the Fair Market Value of the Deadlock Option Shares, following the Agreed Valuation Methodology. The cost of such Independent Valuer shall be borne by the appointing party, as applicable. Each of the Independent Valuers so appointed shall determine the Fair Market Value of the Deadlock Option Shares in accordance with the Agreed Valuation Methodology prior to the expiry of 30 (thirty) days from their respective appointment. In the event the Fair Market Value of the Deadlock Option Shares as determined by the respective Independent Valuers appointed by each of Acquirer and Continuing Shareholders varies by more than 10% (ten per cent), the Fair Market Value of the Deadlock Option Shares shall be determined by a person appointed from list of Third Independent Valuer appointed mutually by the Continuing Shareholders and the Acquirer, no later than 15 (fifteen) days following the date on which the Fair Market Value of the Deadlock Option Shares has been determined by both the appointed Independent Valuers, failing which, on the 16<sup>th</sup> (sixteenth) day following the date on which the Fair Market Value of the Deadlock Option Shares has been determined by both the appointed Independent Valuers, the identity of the Third Independent Valuer shall be determined by a draw of lots to be presided over by the company secretary of the Company and to be conducted at the registered office of the Company. The Third Independent Valuer so appointed shall determine the Fair Market Value, in accordance with the Agreed Valuation Methodology prior to the expiry of 15 (fifteen) days from its appointment, which Fair Market Value of the Deadlock Option Shares as determined by the Third Independent Valuer shall be final and binding on the Shareholders. Provided, however, in the event the Fair Market Value as determined by the respective Independent Valuers appointed by each of Acquirer and Continuing Shareholders vary by 10% (ten per cent) or less, the average of the Fair Market Values as determined by each of the Independent Valuers so appointed by the Acquirer and Continuing Shareholders shall be considered as the Fair Market Value of the Deadlock Option Shares, which shall be final and binding on the Shareholders. The Company shall co-operate with each of the Independent Valuers and the Third Independent Valuer appointed in accordance with this Article and provide reasonable access to the Company's books and records for this purpose. The costs and expenses in relation to the Third

Independent Valuer shall be borne by the Acquirer and Continuing Shareholders equally.

282. A closing of the sale and purchase of the Deadlock Option Shares (the “**Deadlock Option Completion**”) pursuant to the exercise of a Deadlock Call Option shall take place at the registered office for the time being of the Company (or such other place as Acquirer and Continuing Shareholders may agree in writing) on the date falling 60 (sixty) days from delivery of the Deadlock Call Option Notice, provided that such 60 (sixty) day period may be extended by such further period in the manner set forth in the Promoter SHA in order to enable the Acquirer and / or Continuing Shareholders to obtain any approvals required from any Governmental Authorities to consummate such transaction provided that the Acquirer and Continuing Shareholders shall, in order to be entitled to such extended timelines, be required to take all reasonable steps to procure necessary approvals expeditiously. At the Deadlock Option Completion, (i) Continuing Shareholders will deliver, against Acquirer’s delivery pursuant to the following sub-Article (ii), (a) to Acquirer the depository participant authorization in respect of such Deadlock Option Shares accompanied by appropriate instructions to such depository participant to give effect to the purchase and sale of the Deadlock Option Shares in accordance with these Articles 278 to 284, and by delivery thereof Continuing Shareholders shall be deemed to represent and warrant that it is transferring the Deadlock Option Shares free and clear of all Encumbrance, and (ii) Acquirer will deliver, against Continuing Shareholders’ delivery pursuant to the preceding sub-Article (i), to Continuing Shareholders payment of the Fair Market Value of the Deadlock Option Shares by wire transfer, to such bank account of the Continuing Shareholders as shall be notified in writing by Continuing Shareholders to the Acquirer at least 5 (five) Business Days prior to the date of the Deadlock Option Completion.
283. If a Deadlock Call Option Notice has been delivered and, for whatever reason, Continuing Shareholders or Acquirer fails to consummate the purchase and sale of the Deadlock Option Shares at the Deadlock Option Completion, then such failure to consummate shall be resolved in accordance with Articles 291 to 298.
284. It is clarified that, in respect of a Deadlock in relation to a Continuing Shareholders Affirmative Vote Matter, any time prior to the expiry of the Resolution Deadline, during the Deadlock Option Period, (i) in case the Acquirer exercises its Deadlock Call Option; until such time as sale and purchase of Deadlock Option Shares held by the Continuing Shareholders in the manner contemplated above, and (ii) in case the Acquirer does not exercise its Deadlock Call Option, the Company and the Acquirer shall not take any action whatsoever in relation to such Continuing Shareholders Affirmative Vote Matter that has not been consented to by the Continuing Shareholders in the manner contemplated under Articles 233 to 235.

#### **FALL AWAY OF RIGHTS AND OBLIGATIONS**

285. Notwithstanding anything contained in these Articles:
- (a) the rights of the Continuing Shareholders as set out under Articles 233 to 235 shall automatically fall away and cease to be of effect without any further action once

the Continuing Shareholders' shareholding in the Company reduces to less than 5% (five per cent) of the Share Capital, in any manner whatsoever; and

- (b) subject to Article 285(a), the rights of the Continuing Shareholders under the other provisions of these Articles, including rights set out under Articles 201 to 214, Articles 215 to 226, Articles 227 to 232, Article 236, Article 238, Article 239 and Article 240, Articles 241 to 244 shall automatically fall away and cease to be of effect without any further action once the shareholding of the Continuing Shareholders falls below 5% (five per cent) of the Share Capital, by virtue of the Continuing Shareholders Transferring more than 77.35% (seventy seven point three five per cent) of the Equity Securities held by them in the Company immediately after Closing Date to any Person other than a Permitted Transferee. Provided, however, it is clarified that the Continuing Shareholders shall continue to be bound by all obligations under these Articles irrespective of its Shareholding, and shall have the rights set out in Articles 273 to 277, Articles 253 to 261 and Articles 196 to 200 so long as Continuing Shareholders own any Equity Securities.

It is further clarified that notwithstanding any provisions herein, if any of the rights of the Continuing Shareholders in respect of the Company falls away, such rights of the Continuing Shareholders in respect of the Subsidiaries of the Company shall automatically fall away.

- (c) Notwithstanding anything to the contrary contained in these Articles, the transfer restrictions on the Continuing Shareholders including those set out in Articles 248 to 252 shall fall away upon the occurrence of the following events:
  - (i) The Acquirer issuing a Deadlock Call Option Notice and not consummating the purchase of the Deadlock Option Shares within the period set forth in Article 282; or
  - (ii) The Continuing Shareholders issuing the Default Put Option Exercise Notice and the Acquirer not consummating the purchase of the Default Put Securities within the period set forth in Article 290(d).

#### EVENT OF DEFAULT CALL OPTION

- 286. In the event that: (x) any of the shareholders of the Continuing Shareholders Transfers any of the shareholding of such shareholder in the Continuing Shareholders to any Person other than a Permitted Transferee or any Person other than a Permitted Transferee directly or indirectly acquires any equity interest in the Continuing Shareholders, (y) Dr. Ravi and/or his Immediate Relatives ceases to Control the Continuing Shareholders, or the Continuing Shareholders breach the provisions of Article 262 in any manner (each event described in (x) and (y), a "**Prohibited Shareholding Change**"), or (z) the Continuing Shareholders are in breach of Article 252, the Acquirer shall have the right to purchase all the Equity Securities held by the Continuing Shareholders ("**Default Option Shares**")

(the “**Default Call Option**”), at a price equivalent to 80% (eighty percent) of the Fair Market Value of the Default Option Shares, determined in a manner required under Applicable Law (which shall under no circumstance be the Agreed Valuation Methodology) (“**Default FMV Valuation Method**”) and in the manner contemplated under these Articles, (“**Default Option Price**”), by delivering a written notice (“**Default Call Option Notice**”) to the Continuing Shareholders. The Acquirer may exercise its rights under this Article 286 either directly, or through its designated nominee, or through the Company (by way of a buyback), or a combination of the foregoing, at its own discretion.

287. No later than 5 (five) Business Days of the Acquirer delivering a Default Call Option Notice to the Continuing Shareholders, each of the Continuing Shareholders and Acquirer shall appoint 1 (one) Independent Valuer each to determine the Fair Market Value of the Default Option Shares. The cost of such Independent Valuer shall be borne by the appointing party, as applicable. Each of the Independent Valuers so appointed shall determine the Fair Market Value of the Default Option Shares in accordance with the Default FMV Valuation Method, prior to the expiry of 30 (thirty) days from their respective appointment. In the event the fair market value of the Default Option Shares as determined by the respective Independent Valuers appointed by each of Acquirer and Continuing Shareholders varies by more than 10% (ten per cent), the Fair Market Value of the Deadlock Option Shares shall be determined by a third valuation expert to be appointed mutually by the Continuing Shareholders and the Acquirer, who shall be 1 (one) of the Third Independent Valuer, no later than 15 (fifteen) days following the date on which the Fair Market Value of the Default Option Shares has been determined by both the appointed Independent Valuers, failing which, on the 16<sup>th</sup> (sixteenth) day following the date on which the Fair Market Value of the Default Option Shares has been determined by both the appointed Independent Valuers, the identity of the Third Independent Valuer shall be determined by a draw of lots to be presided over by the company secretary of the Company and to be conducted at the registered office of the Company. The Third Independent Valuer so appointed shall determine the Fair Market Value, in accordance with the Default FMV Valuation Methodology prior to the expiry of 15 (fifteen) days from its appointment, which Fair Market Value of the Default Option Shares as determined by the Third Independent Valuer shall be final and binding on the Shareholders, and 80% (eighty per cent) of such Fair Market Value shall be the Default Option Price. Provided, however, in the event the fair market value as determined by the respective Independent Valuers appointed by each of Acquirer and Continuing Shareholders vary by 10% (ten per cent) or less, the average of the Fair Market Values as determined by each of the Independent Valuers so appointed by the Acquirer and Continuing Shareholders shall be considered as the Fair Market Value of the Default Option Shares, which shall be final and binding on the Shareholders, and 80% (eighty per cent) of such Fair Market Value shall be the Default Option Price. The Company shall co-operate with each of the Independent Valuers and the Third Independent Valuer appointed in accordance with this Article 287 and provide reasonable access to the Company's books and records for this purpose. The costs and expenses in relation to the Third Independent Valuer shall be borne by the Acquirer and Continuing Shareholders equally.



288. A closing of the sale and purchase of the Default Option Shares (the “**Default Option Completion**”) pursuant to the exercise of a Default Call Option shall take place at the registered office for the time being of the Company (or such other place as Acquirer and Continuing Shareholders may agree in writing) on the date falling 60 (sixty) days from delivery of the Default Call Option Notice, provided that such 60 (sixty) day period may be extended by such further period in order to enable the Acquirer and / or Transferor to obtain any approvals required from any Governmental Authorities to consummate such transaction provided that the Acquirer and Transferor shall, in order to be entitled to such extended timelines, be required to take all reasonable steps to procure necessary approvals expeditiously. At the Default Option Completion, (i) Continuing Shareholders will deliver, against Acquirer’s delivery pursuant to the following sub-Article (ii), (a) to Acquirer or the Company (in case of a buyback), the depository participant authorization in respect of such Default Option Shares accompanied by appropriate instructions to such depository participant to give effect to the purchase and sale of the Default Option Shares in accordance with Articles 286 to 289, and by delivery thereof Continuing Shareholders shall be deemed to represent and warrant that it is transferring the Default Option Shares free and clear of all Encumbrance, and (ii) Acquirer or the Company (in case of a buyback) will deliver, against Continuing Shareholders’ delivery pursuant to the preceding sub-Article (i), to Continuing Shareholders payment of the Default Option Price by wire transfer, to such bank account of the Continuing Shareholders as shall be notified in writing by Continuing Shareholders to the Acquirer at least 5 (five) Business Days prior to the date of the Default Option Completion.
289. If a Default Call Option Notice has been delivered and, for whatever reason, Continuing Shareholders or Acquirer fails to consummate the purchase and sale of the Default Option Shares, then such failure to consummate shall be resolved in accordance with Articles 291 to 298.

#### **EVENT OF DEFAULT PUT OPTION**

290. In the event the Acquirer materially breaches the provisions of Articles 233 to 235 or Articles 253 to 261 (“**Acquirer Default Event**”), and is unable to cure such breach within a period of 30 (thirty) Business Days of being provided a written notice of such breach:
- (a) The Continuing Shareholders shall have the option (“**Default Put Option**”) exercisable in its sole discretion by written notice to the Acquirer (a “**Default Put Option Exercise Notice**”) to require the Acquirer to purchase, either directly, or through a designated nominee all of the Equity Securities held by the Continuing Shareholders (“**Default Put Securities**”) at a premium of 20% (Twenty per cent) above the Fair Market Value determined in the manner acceptable under Applicable Law (but not including the Agreed Valuation Methodology) (“**Default Put Price**”), determined in the manner set out in Article 290(b) below, provided that in the event the Continuing Shareholders hold less than 5% (five per cent) of the Share Capital solely by virtue of the Continuing Shareholders transferring / selling more than 77.35% (seventy seven point three five per cent) of the Equity Securities held by it in the Company immediately after Closing Date to any Person

other than a Permitted Transferee, it shall no longer have the Default Put Option pursuant to this Article 290. The Continuing Shareholders have the right to exercise the Default Put Option only once in relation to any single particular Acquirer Default Event and must exercise the Put Option within 30 (thirty) days after the occurrence of such event by delivering the Default Put Option Exercise Notice to the Acquirer.

- (b) Forthwith and in any event within a period of 10 (ten) days from the date receipt of the Default Put Option Exercise Notice, the Continuing Shareholders and Acquirer shall appoint 1 (one) Independent Valuer each at its own cost and expense to determine the Fair Market Value of the Default Put Securities in accordance with such methodology as recognised under Applicable Law, prior to the expiry of 30 (thirty) days from their respective appointment. In the event the Fair Market Value of the Default Put Securities as determined by the respective Independent Valuers appointed by each of Acquirer and Continuing Shareholders varies by more than 10% (ten per cent), the Fair market Value of the Default Put Securities shall be determined in accordance with Applicable Law by the third valuation expert to be appointed mutually by the Continuing Shareholders and the Acquirer, who shall be one of the Third Independent Valuer, no later than 15 (fifteen) days following the date on which the Fair Market Value of the Default Put Securities has been determined by both the appointed Independent Valuers. Any such valuer shall be instructed to determine the Fair Market Value prior to the expiry of 15 (fifteen) days from its appointment. Failing mutual agreement between the Acquirer and the Continuing Shareholders on the choice of such a valuer, on the 16<sup>th</sup> (sixteenth) day following the date on which the Fair Market Value of the Put Securities has been determined by both the appointed Independent Valuers, the identity of the Third Independent Valuer shall be determined by a draw of lots to be presided over by the company secretary of the Company and to be conducted at the registered office of the Company (or such other place as may be mutually agreed by the Acquirer and Continuing Shareholders). The Fair Market Value of the Equity Securities as determined by the Third Independent Valuer shall be final and binding on the Shareholders. Provided, however, in the event the Fair Market Value as determined by the respective Independent Valuers appointed by each of Acquirer and Continuing Shareholders vary by 10% (ten per cent) or less, the average of the Fair Market Value as determined by each of the Independent Valuers so appointed by the Acquirer and Continuing Shareholders shall be considered as the Fair Market Value of the Default Put Securities, which shall be final and binding on the Shareholders, and on which the 20% (twenty per cent) premium shall be paid by Acquirer to the Continuing Shareholders. The Company shall co-operate with each of the Independent Valuers and the Third Independent Valuer appointed in accordance with this Article 290(b) and provide reasonable access to the Company's books and records for this purpose.
- (c) The costs and expenses in relation to the Third Independent Valuer shall be borne by the Acquirer on one hand and Continuing Shareholders on the other hand equally.

- (d) The Acquirer will be obligated to complete the sale and purchase of the Default Put Securities from the Continuing Shareholders at the Default Put Price on or prior to the expiry of a period of 60 (sixty) days from the date of determination of the Fair Market Value (“**Default Put Option Closing Date**”), provided that such 60 (sixty) day period may be extended by such further period in order to enable the Acquirer and / or Transferor obtain any approvals required from any Governmental Authorities to consummate such transaction provided that the Acquirer and Transferor shall, in order to be entitled to such extended timelines, be required to take all reasonable steps to procure necessary approvals expeditiously. On the Default Put Option Closing Date, (i) Continuing Shareholders will deliver, against Acquirer’s delivery pursuant to the following sub-Article (ii), (a) to the Continuing Shareholders’ depository participant, authorization in respect of such Default Put Securities accompanied by appropriate instructions to such depository participant to give effect to the purchase and sale in accordance with this Article 290, and by delivery thereof Continuing Shareholders shall be deemed to represent and warrant that it is transferring the Default Put Securities free and clear of any Encumbrance, and (ii) Acquirer will deliver, against Continuing Shareholders’ delivery pursuant to the preceding sub-Article (i), to Continuing Shareholders payment of the Default Put Price by wire transfer to such bank account of the Continuing Shareholders details of which shall be intimated to the Acquirer at least 5 (five) Business Days prior to the Default Put Option Closing Date.
- (e) The Company and Acquirer shall do all such acts and deeds as may be necessary to give effect to the provisions of this Article 290 including obtaining in a timely manner all applicable consents and approvals from any Governmental Authority if required for purposes of consummation of the purchase and sale of the Put Securities as contemplated under this Article 290.

## **DISPUTE RESOLUTION**

291. In the event of any disputes, differences, controversies or questions, directly or indirectly relating to or in connection with any of the matters set out in Part B of these Articles (“**Dispute**”), the parties to the Dispute shall each appoint one nominee/representative who shall discuss in good faith to resolve such Dispute, and such discussions shall begin promptly after one party has given to each other party a written request for such discussions. In case the Dispute is not settled by discussion, it shall be referred to arbitration in accordance with Articles 291 to 298.
292. If any Dispute has not been satisfactorily resolved under Article 291 within 30 (thirty) days after a party first asked any other party to such dispute to participate in discussions under Article 291, then any party to such Dispute may submit such Dispute to be finally resolved by arbitration administered by the Singapore International Arbitration Centre (the “**SIAC**”) in accordance with the Arbitration Rules of Singapore International Arbitration Centre as such rules are in force at the time of any such arbitration (the “**SIAC Rules**”), which rules are deemed to be incorporated by reference in Article 292. Prior to commencing an arbitration proceeding under these Articles 291 to 298, a party shall

deliver a notice to the other parties involved in such Dispute specifying the matter or matters to be so submitted to arbitration. Subject to Applicable Law, no party shall be entitled to commence or maintain any action in a court of Law upon any matter in dispute until such matter shall have been submitted and determined as provided in this Article 292 and then only for the enforcement of such arbitration. The arbitration tribunal shall be composed of one arbitrator appointed by mutual agreement between Continuing Shareholders on one hand and the Acquirer and the Company (on the other hand) (or in accordance with the SIAC Rules in the event agreement regarding the identity of the sole arbitrator cannot be reached between the parties to the Dispute). The arbitrator shall decide any such Dispute strictly in accordance with the laws of India, without regard to applicable conflicts of law principles.

- 293. The seat and venue of arbitration shall be Singapore. The language to be used in any arbitration proceedings shall be English.
- 294. Any award made by the arbitration tribunal shall be in English and shall be final and binding on all parties.
- 295. The costs of arbitration shall be borne by the losing party, unless otherwise determined by the arbitration award.
- 296. When any Dispute arises and when any Dispute is subject to arbitration, the parties shall continue to exercise their respective rights and perform their respective obligations under the provisions of these Articles except for the matters forming the subject matter of the Dispute.
- 297. The parties shall automatically enforce the arbitral award within the time limit provided in the arbitral award. If the arbitral award does not specify any time limit, the parties shall enforce the arbitral award within 30 (thirty) Business Days of the date of the arbitral award.
- 298. Any arbitral award made by the arbitrator shall be enforced by any court of competent jurisdiction over the losing party or with competent jurisdiction over the place where the assets of the losing party are located. It shall also be enforceable in accordance with the 1958 United Nations "Convention on the Recognition and Enforcement of Foreign Arbitral Awards".

#### **ASSIGNMENT**

- 298A The Continuing Shareholders may assign their rights under Part B of these Articles to a Third Party Transferee in accordance with the provisions of the Promoter SHA.

## ANNEXURE 1 – CONTINUING SHAREHOLDERS AFFIRMATIVE VOTE MATTERS

### Part A: Additional Affirmative Vote Matters

1. Any change to either the Memorandum or the Articles of Association of the Company that adversely affects the rights of the Continuing shareholders under these Articles.
2. Alteration of any rights attaching to any of the Equity Securities or issuance of Equity Securities with differential and senior rights with respect to voting and/or dividends, as compared to the Equity Shares held by the Continuing Shareholder (for the avoidance of doubt, this shall not include issuance of any *pari passu* ranking shares).
3. Changes to the size of the Board beyond the maximum limit of 9 (nine) prescribed under these Articles.
4. Declarations of any dividend or similar distributions to the Shareholders not based on their respective shareholding percentages in the Company.
5. Any transaction/ business relationship involving a Related Party including execution of and amendments to contracts/purchase order with Related Parties that is not in the ordinary course of business or not conducted at arm's length.
6. Execution, modification or termination of any agreement or contract which by its terms provides for products for which a filing will be submitted under paragraph IV of the Drug Price Competition and Patent Term Restoration Act.
7. Any decisions in relation to disputes/litigation initiated by or against the Company if the total monetary value of the dispute is equal to or greater than Rs. 1,000,000 (Rupees one million).
8. Commencement of a new activity or line of business, discontinuing of any line of business other than as provided in the Business Plan.
9. All matters in relation to any restructuring, reorganization, amalgamation, demerger or any other business combination to which the Company is a party and entry into any joint venture or acquisition of any company or other Person.
10. Any decisions in relation to a public offering of securities of the Company other than a QIPO in accordance with the terms of these Articles.
11. Approval of a Business Plan which provides for an EBITDA which is 20% (twenty percent) higher or lower than the corresponding EBITDA for the relevant Financial Year as set out in the management forecast as agreed between the parties to the Promoter SHA ("**Management Forecast**").
12. Incur any capital expenditure or debt of more than 20% (twenty per cent) of the value of the Company's net assets.

13. Sale or disposal of a substantial portion of the Company's assets or liquidation, dissolution or winding up of the Company, or the Company ceasing to carry on all or substantially all of its business, whether or not voluntary, or any restructuring or reorganization which has a similar effect.
14. Any action which under Applicable Law requires Shareholder approval, if such action, adversely and disproportionately affects the rights of the Continuing Shareholder under these Articles.
15. Any agreement or commitment to give effect to any of the foregoing.
16. Delegation to make decisions in respect of any of the foregoing.
17. All of the above actions in respect of each of the Subsidiaries of the Company with references to the Company being interpreted as references to the relevant Subsidiary.

#### **Part B: Affirmative Vote Matters**

1. Any change to either the Memorandum or the Articles that adversely affects the rights of the Continuing Shareholders under these Articles.
2. Alteration of any rights attaching to any of the Equity Securities or issuance of Equity Securities with differential and senior rights with respect to voting and/or dividends, as compared to the Equity Shares held by the Continuing Shareholders (for the avoidance of doubt, this shall not include issuance of any *pari passu* ranking shares).
3. Changes to the size of the Board beyond the maximum limit of 9 (nine) prescribed under these Articles.
4. Declarations of any dividend or similar distributions to the Shareholders not based on their respective shareholding percentages in the Company.
5. Any transaction/ business relationship involving a Related Party including execution of and amendments to contracts/purchase order with Related Parties that is not in the ordinary course of business or not conducted at arm's length.
6. Any decisions in relation to disputes/litigation initiated by or against the Company if the total monetary value of the dispute is equal to or greater than Rs. 1,000,000 (Rupees one million).
7. Commencement of a new activity or line of business, discontinuing of any line of business other than as provided in the Business Plan.
8. All matters in relation to any restructuring, reorganization, amalgamation, demerger or any other business combination to which the Company is a party and entry into any joint venture or acquisition of any company.
9. Any decisions in relation to a public offering of securities of the Company other than a QIPO in accordance with the terms of these Articles.

10. Approval of a Business Plan which provides for an EBITDA which is 20% (twenty per cent) higher or lower than the corresponding EBITDA for the relevant Financial Year as set out in the Management Forecast, and amendments or modifications thereto.
11. Liquidation, dissolution or winding up of the Company, or the Company ceasing to carry on all or substantially all of its business, whether or not voluntary, or any restructuring or reorganization which has a similar effect.
12. Any action which under Applicable Law requires Shareholder approval, if such action, adversely and disproportionately affects the rights of the Continuing Shareholders under these Articles.
13. Any agreement or commitment to give effect to any of the foregoing.
14. Delegation to make decisions in respect of any of the foregoing.
15. All of the above actions in respect of each of the Subsidiaries of the Company with references to the Company being interpreted as references to the relevant Subsidiary.

## PART C

### 299. DEFINITIONS

In Part C of these Articles, unless the context requires otherwise, (i) capitalised terms defined by inclusion in quotations and/ or parenthesis have the meanings so ascribed; (ii) reference to the phrase “*as agreed between the parties to the Existing Investors’ SHA*” shall mean the understanding agreed between the Acquirer, the Company and the Existing Investors, recorded under the relevant provision of the Existing Investors’ SHA; (iii) capitalised terms used herein and not specifically defined under Part C, shall have the meaning ascribed to them in Part A of these Articles; and (iv) the following words and expressions shall have the following meanings for the purposes of Part C only:

“**Acquirer Call Option Price**” means the price as agreed between the parties to the Existing Investors’ SHA;

“**Acquirer Call Option Period**” shall mean a period of 1 (one) year from the later of: (i) 28 July 2017, and (ii) the date on which the occurrence of the Restriction Removal Event and receipt of the relevant order from the concerned Governmental Authority, is notified in writing by the Existing Investors Representative to the Acquirer, in the manner contemplated under Part C of these Articles, during which period the Acquirer shall be entitled to exercise the Acquirer Call Option, at any time;

“**Affiliate**” shall mean, (i) when used in relation to any Person, any other Person which shall be at that time directly or indirectly in Control of, Controlled by, or under common Control with such Person and (ii) in addition, in the case of any Person that is a natural person, shall include any other Person who is a ‘Relative’ of such Person;

“**Applicable Law**” or “**Applicable Laws**” means all applicable provisions of all (a) constitutions, treaties, statutes, laws (including the common law), codes, rules, regulations, ordinances or orders of any Governmental Authority, and (b) orders, decisions, injunctions, judgments, awards and decrees of or agreements with any Governmental Authority;

“**Existing Investors’ SHA**” means the shareholders’ agreement dated 28 July 2016 executed between (i) the Acquirer; (ii) the Existing Investors; and (iii) the Company, as amended by the amendment agreement dated 15 September 2017, read with any other amendment entered into among the parties;

“**Business**” means the business of the Company, including the development, manufacturing and sales of pharmaceutical products;

“**Business Day**” means a day on which banks are open for normal banking business in Hong Kong, Singapore or Hyderabad where an act is to be performed, notice is to be received or a payment is to be made, other than a Saturday or Sunday or any public holiday;

“**Closing Date**” means [3 October 2017];



**“Competitor”** means any Person who, either directly or indirectly or through one or more Affiliates, is (a) undertaking any business in the pharmaceuticals sector; or (b) engaged in an activity which competes with the Business;

**“Control”** (including the terms “Controlled by” and “under common Control with”) means, in relation to a body corporate, the right to exercise, or control the exercise of, whether directly or indirectly, acting alone or together with another Person, more than 50% (fifty per cent) of the total voting rights at a general meeting of that body corporate, or the right or power to direct, whether directly or indirectly, acting alone or together with another Person, the policy decisions or management of that body corporate, including right to appoint majority of the board of directors of that body corporate, and in relation to any Person which is not a body corporate or an individual, the right or power to direct, whether directly or indirectly, acting alone or together with another Person, the policy decisions or management of that Person;

**“Eligible Investor”** means any Person who provides or is able to provide such documents to the Company as are required for customer identification in relation to opening of a new account with a scheduled commercial bank, as per the provisions of Reserve Bank of India’s Master Direction - Know Your Customer (KYC) Direction, 2016 dated 25 February, 2016 bearing reference no. Master Direction DBR.AML.BC.No.81/14.01.001/2015-16 (as updated from time to time);

**“Encumbrance”** means (i) any mortgage, charge (whether fixed or floating), option, claim, 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 in favour of any Person, and (iii) any adverse claim as to title, possession or use;

**“Equity Securities”** shall mean the Company’s equity capital, including the Equity Shares and any instruments, options, warrants, convertible shares, convertible bonds or other securities that are directly or indirectly convertible into, or exercisable or exchangeable for, equity shares of the Company (whether or not such securities are issued by the Company and whether or not then currently convertible, exercisable or exchangeable);

**“Equity Shares”** means the equity shares of the Company having a face value of INR 10 (Indian Rupees ten) each;

**“Existing Investors”** means (i) Jeshtha Farms Private Limited; (ii) Satabisha Agro Private Limited; (iii) Sravana Agro Private Limited; (iv) Rohini Bio-Tech Private Limited; (v) Chitta Farms Private Limited; (vi) Punarvasu Bio-Tech Private Limited; (vii) Hastha Agro-tech Private Limited; (viii) Hansagiri Greenlands Private Limited; (ix) Arunagiri Agro-farms Private Limited; and (x) Vishnupadi Greenlands Private Limited;

**“Fair Market Value”** means the fair market value of the Equity Securities, as determined and certified by Independent Valuer(s) in accordance with Part C of these Articles;

**“Fully Diluted Basis”** means that the calculation should be made assuming the exercise, conversion or exchange of all of the instruments, options, warrants or other securities exercisable or convertible or exchangeable into Equity Shares, regardless of whether such instruments, options, warrants or other securities are currently exercisable, convertible or exchangeable at such time;

**“Governmental Authority”** means 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 government authority, agency, department, board, commission or instrumentality of India or any political subdivision thereof or any other applicable jurisdiction, any court, tribunal or arbitrator and any securities exchange or body or authority regulating such securities exchange and, in so far as the Existing Investors are concerned, shall also include the Central Bureau of Investigation, the Enforcement Directorate, the Securities and Exchange Board of India and the Serious Fraud Investigation Office;

**“Independent Valuers”** means network representative in India, of:

- (a) Ernst & Young;
- (b) Deloitte Touche Tohmatsu;
- (c) KPMG; or
- (d) PriceWaterhouseCoopers;

**“IPO”** shall mean an initial public offering (including by way of an offer for sale) of the Equity Shares or other securities of the Company and the consequent listing of the Equity Shares or other securities of the Company, in either case, on any Recognised Stock Exchange;

**“Person”** means any natural person, sole proprietorship, partnership, company, Governmental Authority, joint venture, trust, association or other entity (whether or not having separate legal personality);

**“Recognised Stock Exchange”** shall mean the National Stock Exchange of India Limited and/or the BSE Limited, and/or any other internationally recognized stock exchange approved by the Acquirer in writing;

**“Regulatory Restriction”** means the restriction on Transfer imposed on the Reserved Shares by the concerned Governmental Authority;

**“Reserved Shares”** means the Equity Securities held or to be held by the Existing Investors, (i) in respect of which any Governmental Authority has passed an order or

issued a notice preventing or restricting the Existing Investors from freely Transferring or disposing off (either directly or indirectly) such Equity Securities or any legal or beneficial interest therein, or the Company from recording or registering any Transfers of such Equity Securities; or (ii) which are the subject matter of any attachment or similar order or direction passed by any Governmental Authority (whether provisional or final);

**“Shareholder”** means a shareholder of the Company;

**“Share Capital”** means the paid up equity share capital of the Company as existing on the relevant date of calculation on a Fully Diluted Basis;

**“Tax”** or **“Taxes”** means (a) any tax (direct and indirect, including corporate income tax, value added tax, entry tax, service tax, dividend distribution tax, buy-back tax, securities transaction tax, minimum alternate tax, wealth tax, payroll tax and property tax), levy, duty (including stamp duty, excise duty and customs duty), charge, impost, withholding or other assessment or charge in the nature of a tax, whenever created or imposed by, or payable to, any Tax Authority, and (b) any charge, interest, penalty and fines incidental or relating to any tax described in the foregoing clause (a) or which arise as a result of the failure to pay any tax on the applicable due date or to comply with any obligation relating to tax;

**“Tax Authority”** means any revenue, customs, fiscal, Governmental Authority, statutory, state, provincial, local governmental or municipal authority, body or Person responsible for or in relation to any Tax;

**“Tag Along Agreement”** means the amended and restated tag along agreement dated 15 September 2017 executed between (i) the Continuing Shareholders; (ii) the Existing Investors; and (iii) the Company;

**“Third Independent Valuer”** means either of:

- (a) Morgan Stanley;
- (b) Goldman Sachs;
- (c) Jefferies;
- (d) UBS; and
- (e) Bank of America Merrill Lynch;

**“Transfer”** with respect to any Equity Securities shall include directly or indirectly the following: (i) sale, gift, voluntary creation of an Encumbrance, disposal of, or grant of an option with respect to such Equity Securities or any right or interest in such securities, or (ii) an agreement or commitment agreeing to provide any of the rights set out in (i); and

**“Unreserved Shares”** means the Reserved Shares after removal of the Regulatory Restriction;

## **SUPPORT AND VOTING ARRANGEMENT**

300. The Existing Investors shall: (i) support the Acquirer, including by exercising their voting rights, to facilitate the running of the business and carry on the operations of the Company in such manner as determined by the Acquirer; and (ii) with regard to any and all matters requiring the approval of the shareholders either by way of an ordinary resolution or a special resolution, vote all the Equity Securities held by them, (directly or indirectly or whether beneficially or otherwise) or as to which they have voting power, in accordance with the directions to be provided by the Acquirer, whether such resolution is considered at a meeting of Shareholders or passed by way of circulation / postal ballot, in either situation as long as the Acquirer or its Affiliate(s) continues to hold at least 50% (fifty per cent) of the Share Capital.
301. The obligation of the Existing Investors to support the Acquirer in the manner set out in the Articles 300 to 301 is reasonable and fair and is required for the smooth functioning of the Company and the Existing Investors shall not at any point of time dispute their obligations under the Articles 300 to 301 or have any claims against the Acquirer for exercising their voting rights in the manner directed by the Acquirer. The obligations of the Existing Investors set out in the Articles 300 to 301 are fundamental to these Articles. The breach of the obligations of the Existing Investors set out in the Articles 300 to 301 shall deemed to be a material violation of these Articles and that the Company shall be entitled to disregard any exercise of voting rights by the Existing Investors in breach of the provisions of these Articles.

## **STATUS OF THE EXISTING INVESTORS**

302. The Existing Investors are financial investors and shall not be considered to be promoters of the Company or as a single group (liable for the actions of each other) or as persons acting in concert, for the purposes of (i) regulations issued by the Securities Exchange Board of India, and / or (ii) in relation to an IPO.
303. Without prejudice to the generality of the foregoing, in relation to the IPO, the Existing Investors shall not be designated as “promoter(s)” or as a “promoter group” of the Company nor shall any declaration or statement be made, either directly or indirectly, in filings with any Governmental Authority, offer documents or agreements or otherwise which have the effect of designating the Existing Investor as the “promoter(s)” of Company or as a “promoter group”. If the Securities of the Company are subject to lock in as “promoter shareholding” for the purposes of the IPO of the Company, the Acquirer and the Continuing Shareholders shall first offer their shareholding in the Company for such lock-in and shall ensure that to the extent permissible under Applicable Law, the Equity Securities held by the Existing Investors shall not be subjected to a lock-in or other restriction on Transfer.

## **BOARD OF DIRECTORS**

304. The Existing Investors shall not be entitled to appoint any nominee on the Board and / or on any committee constituted for the functioning of the Company.

## FURTHER ISSUE OF SHARES AND PRE-EMPTIVE RIGHTS

305. In the event the Company decides to issue any Equity Securities to any Person in a manner that would dilute the shareholding of the Existing Investors in the Company, the Company shall provide the Existing Investors with the right (not the obligation), to acquire such proportionate number of Equity Securities, so as to maintain the percentage of their shareholding in the Company on a Fully Diluted Basis equal to the shareholding percentage of the Existing Investors immediately prior the proposed further issuance of Equity Securities under Articles 305 to 313, computed on a Fully Diluted Basis (“**Proportionate Shareholding**”).
306. Within 15 (fifteen) Business Days from the date of the approval of the proposed issuance by the Board and simultaneous with delivery of an issuance notice to the other Shareholders, the Company shall deliver to the Existing Investors a written notice (“**Further Issuance Notice**”) setting forth (i) the number of Equity Securities, which the Existing Investors are entitled to subscribe to in order to maintain their respective Proportionate Shareholding; (ii) details of the issuance and the total size of the issuance; and (iii) the price per Equity Security and terms and conditions of their issuance, which shall be *pari passu* with those offered to the other Shareholders of the Company.
307. In the event the Existing Investors decide to exercise their rights under Article 305 above, the Existing Investors shall, within 30 (thirty) days following delivery of the notice referred to in Article 306, or if any time in excess of 30 (thirty) days has been provided by the Company to any of the other Shareholders for delivering a notice confirming their subscription to the Equity Securities of the Company (which shall be informed by the Company to the Existing Shareholders), then within such extended time, send a written notice to the Company confirming the subscription to all or any of the Equity Securities which will enable them to maintain their Proportionate Shareholding as set out in the Further Issuance Notice (“**New Securities**”).
308. Within 15 (fifteen) days of the Existing Investors confirming the intention of subscribing to such New Securities, or if any time in excess of 15 (fifteen) days has been provided by the Company to any of the other Shareholders for payment of the consideration towards subscription of the Equity Securities (which shall be informed by the Company to the Existing Shareholders), then within such extended time, the Existing Investors shall make the payment of the consideration required for the New Securities and the Company shall simultaneously with the allotment of securities to the proposed allottee, allot the New Securities to the Existing Investors. The Existing Investors shall provide the Company and the Acquirer customary indemnity backed representations with respect to authority, approvals and source of funds, etc. and also adequate proof of availability of sufficient funds. It is clarified that any Existing Investors who do not satisfy the criteria for an Eligible Investor as set out in Part C of these Articles, shall not be entitled to the pre-emptive rights set out in Articles 305 to 313.
309. If the New Securities consist of Equity Shares, such Equity Shares shall rank *pari passu* in all respects with the then existing Equity Shares of the Company. The Equity Shares

issued upon conversion / exchange of the New Securities shall rank *pari passu* in all respects with the then existing Equity Shares of the Company.

310. Further, in the event that any of the Existing Investors do not elect to subscribe to any of the Securities offered to them in terms of Article 306 above, or they fail to send a notice confirming their desire to subscribe to the New Securities within the timelines set out in Article 307 above, or they fail to make the payment of consideration required for the New Securities in terms of Article 308 above, the Board shall, thereafter, offer the unsubscribed portion of the Existing Investors entitlement under this Article 310, to any Person, at a price not less than the price offered to the Existing Investors.
311. The Existing Investors shall not be required to Encumber any Equity Securities held by them in the Company or provide any guarantee, funds or any other financial assistance or undertaking to any third party including to the lenders of the Company for meeting any funding requirements.
312. In the event that (i) the Company proposes to issue any securities (other than Equity Securities); and (ii) the Acquirer and/or the Continuing Shareholders is being provided with the right or an opportunity to subscribe to such securities, the Existing Investors shall also be provided with a right to subscribe to such securities in proportion to their shareholding in the Company at the time and on the same terms and conditions as the Acquirer and/or the Continuing Shareholders. In such event, the provisions of Articles 306 to 309 shall apply mutatis mutandis to the issuance of such securities.
313. Notwithstanding anything contained in Articles 305 to 313, none of the restrictions hereunder shall apply to issuance of any Equity Securities pursuant to any Board approved stock option or purchase scheme, or upon issuance of any Equity Shares pursuant to the conversion of any Equity Securities issued by the Company to any Shareholder pursuant to Article 305 or conversion of 942,500 compulsorily convertible preference shares of the Company issued to the Acquirer pursuant to the share subscription agreement dated 28 July 2016 executed between the Acquirer and the Company.

#### **EXISTING INVESTOR REPRESENTATIVE AND BLOCK**

314. The Existing Investors have nominated Mr. Sanjay Varma Indukuri as the representative of the Existing Investors (the “**Existing Investors Representative**”), who is authorised to agree and execute any amendments to the provisions of the Existing Investors’ SHA, give and receive notices and communications, agree to negotiate, accord consent to any matter requiring consent of the Existing Investors, enter into settlements and compromises, and comply with orders of courts and awards of arbitrators with respect to the Existing Investors’ SHA and take all actions necessary, expedient or appropriate in their judgment to achieve the foregoing. Existing Investors’ Representative shall act for and on behalf of the Existing Investors in respect of any right, action or waiver to be exercised by the Existing Investors and shall be responsible for causing the Existing Investors to perform their obligations, covenants and undertakings under these Articles and the exercise or performance of any rights, obligations, covenants or undertakings hereunder by Existing Investors’ Representative shall be deemed to constitute an exercise or performance of such

rights, obligations, covenants or undertakings under the these Articles, as the case may be, by all the Existing Investors, where applicable.

315. Notwithstanding anything to the contrary contained in these Articles, all the rights of the Existing Investors under these Articles shall be exercised by the Existing Investor Representative on behalf of all Existing Investors, as a single block and shall be treated as a single party. Subject to the indemnification rights as agreed between the parties to the Existing Investors' SHA, a breach by any one Existing Investor of its rights, obligations or undertakings hereunder shall be deemed as a collective breach by the Existing Investors of their respective rights, obligations or undertakings hereunder.

### **RESTRICTION ON TRANSFER**

316. None of the Existing Investors shall, directly or indirectly, Transfer any Equity Security or any legal or beneficial interest therein, except in compliance with Part C of these Articles and as agreed between the parties to the Existing Investors' SHA.
317. Any agreement or arrangement to Transfer any Equity Securities or any legal or beneficial interest therein by the Existing Investors, other than in the manner set out in Articles 316 to 338 shall be null and void. The Company shall not record any such Transfer or agreement or arrangement to Transfer on its books and shall not recognize or register any equitable or other claim to, or any interest in, such Equity Securities or any legal or beneficial interest therein, which are purported to have been Transferred in any manner other than as permitted under Articles 316 to 338 and all such attempted Transfers shall be deemed to be *ultra vires* these Articles.
318. None of the Existing Investors shall Transfer or attempt to Transfer, Reserved Shares held by them during the period the Regulatory Restriction remain in effect. Such restriction on transferability of Reserved Shares held by the Existing Investors shall continue till the time the concerned Governmental Authority: (i) issues an order which has the effect of unconditionally permitting the Existing Investors to Transfer the said Equity Securities and the Company to permit the Transfer of the Reserved Shares, and (ii) the physical possession of the share certificates representing the Reserved Shares are handed over to the Existing Investors in accordance with Applicable Law, and the Existing Investors submit documentary proof evidencing that such share certificates having been handed over to them ("**Restriction Removal Event**").
319. Subject to Article 318, in the event the Regulatory Restrictions applicable on the Equity Shares of the Existing Investors are lifted during a period of 1 (one) year from the date of the Existing Investors' SHA, the Existing Investor and Acquirer shall be entitled to consummate a Transfer and purchase of the Equity Shares held by the Existing Investors to the Acquirer in accordance with Article 320 below.

### **REGULATORY RESTRICTION**

320. In the event the Restriction Removal Event occurs within 1 (one) year of the date of the Existing Investors' SHA, and any Reserved Shares become Unreserved Shares, the

Existing Investor Representative shall forthwith and in no event later than 3 (three) Business Days from the date of occurrence of the Restriction Removal Event and receipt of the relevant order from the concerned Governmental Authority, inform the Acquirer and Company of the occurrence of the Restriction Removal Event along with such supporting documentation as may be available to evidence occurrence of such event. Immediately upon informing the Acquirer and Company of the removal of the Regulatory Restriction in the manner contemplated under this Article 320 at the request of the Acquirer, the Acquirer and the Existing Investor Representative shall undertake good faith negotiations and endeavour to execute a share purchase agreement as soon as reasonably practicable for the sale and purchase of the Unreserved Shares held by the Existing Investors to the Acquirer, at a price as agreed between the parties to the Existing Investors' SHA. Existing Investors shall provide all requisite indemnity backed representations and warranties to the buyer with respect to the authority, title to their respective shares and the title being free of any Encumbrance, customary representations in relation to approvals and Tax. For purposes of determining the Fair Market Value of the Unreserved Shares, the Company, Acquirer and Existing Investors shall follow the process set out in Articles 366 to 368. The provisions of Articles 324 and 331 shall apply to any Transfer of Unreserved Shares undertaken under this Article 320.

#### **ACQUIRER CALL OPTION**

321. In the event the Restriction Removal Event occurs 1 (one) year after the date of the Existing Investors' SHA, and any Reserved Shares become Unreserved Shares, the Existing Investor Representative shall forthwith and in no event later than 3 (three) Business Days from the date of occurrence of the Restriction Removal Event and receipt of the relevant order from the concerned Governmental Authority, inform the Acquirer of the occurrence of the Restriction Removal Event along with such supporting documentation as may be available to evidence occurrence of such event. Upon receipt of such information from the Existing Investors' Representative, the Acquirer shall have the right, but not the obligation, by delivering a written notice ("**Acquirer Call Exercise Notice**") to the Existing Investor Representative during the Acquirer Call Option Period, to require all the Existing Investors to sell all of the Unreserved Shares held by the Existing Investors ("**Acquirer Call Option Securities**") at the Acquirer Call Option Price ("**Acquirer Call Option**"). Upon receipt of the Acquirer Call Exercise Notice, Existing Investors shall be irrevocably obligated to sell to the Acquirer, and the Acquirer shall be irrevocably obligated to purchase from the Existing Investors, all of the Acquirer Call Option Securities at the Acquirer Call Option Price. During the Acquirer Call Option Period, the Existing Investors are not permitted to Transfer any of the Equity Shares except (a) in the manner contemplated in this Article 321314 or (b) after providing a Right of First Refusal to the Acquirer in accordance with Article 324 below.
322. Subject to receipt of all necessary approvals as may be required under Applicable Law, the Existing Investors shall sell the Acquirer Call Option Securities to the Acquirer, within 30 (thirty) days from the date of receipt of Acquirer Call Exercise Notice, which period shall stand automatically extended by a maximum period of 9 (nine) months required solely for obtaining any applicable Governmental Approvals, on which date, the following shall be



performed simultaneously:

- (a) Acquirer shall remit the aggregate Acquirer Call Option Price in relation to the Acquirer Call Option Securities to the designated bank account of the Existing Investors (as may be notified by the Existing Investors, in writing, at least 5 (five) days prior to the date of remittance); and
  - (b) In the event the Acquirer Call Option Securities are being Transferred to Acquirer in physical form, Existing Investors shall deliver to the Acquirer duly executed share transfer form in Form SH-4, in favour of the Acquirer and a certified copy of any authority under which such Transfer(s) is/are executed and share certificate(s) representing the Equity Shares held by the Existing Investors. Provided, however, in case the Acquirer Call Option Securities are being Transferred to Acquirer in dematerialised form, each of the Existing Investors shall deliver the duly executed unconditional and irrevocable delivery instruction slips to their respective depository participants, instructing their respective depository participants to debit and transfer their respective Acquirer Call Option Securities to the designated demat accounts of the Acquirer, details of which shall be intimated to the Existing Investors in writing at least 5 (five) Business Days prior to date of such Transfer.
323. The Acquirer and the Existing Investors shall take all steps reasonably necessary to satisfy their obligations under these Articles 321 to 323, including obtaining all necessary approvals (statutory or otherwise) and the Company shall extend all such cooperation as may be required for the Transfer of the Acquire Call Option Securities by the Existing Investors.

#### **RIGHT OF FIRST REFUSAL**

324. Subject to Articles 316 to 319, during the Acquirer Call Option Period, in the event the Acquirer has not exercised the Call Option in the manner contemplated under Articles 321 to 323, and if the Existing Investor (“**Transferor**”) wishes to directly or indirectly Transfer by way of sale, all or any of its Equity Securities (or any interest therein) (“**Offered Shares**”) to any Person (other than the Acquirer or its Affiliates) who has made a bona fide offer for the Offered Shares (“**Transferee**”), then the Transferor will be under an obligation to first offer all of its legal and beneficial interest in the Offered Shares to the Acquirer or its nominee, in accordance with this Article 324 (“**Right of First Refusal**”) and the following procedures shall be complied with:
- (a) The Transferor shall notify the Acquirer in writing (“**Transfer Notice**”) of its intention to Transfer the Offered Shares, and the Transfer Notice shall set out: (i) maximum number of Equity Securities that is proposed to form part of the Offered Shares, (ii) the name and address of the prospective Transferee, (iii) price per Share offered by the Transferee for acquiring the Offered Shares and the total amount of consideration (“**Offer Price**”), (iv) a representation stating that no consideration (tangible or intangible) is being provided to the Transferor that is not reflected in the consideration to be paid to the Transferor in this Article 324, and (v) details of any other material terms and conditions of such proposed Transfer.

- (b) Within a period of 30 (thirty) Business Days from receipt of the Transfer Notice by the Acquirer (“**Acceptance Period**”), the Acquirer may notify the Transferor by way of a letter of acceptance (“**Acceptance Letter**”) that it wishes to purchase the Offered Shares, either by itself or through any other Person as may be nominated by Acquirer at its discretion (which Person shall upon such nomination be considered to be the “Acquirer” for the purposes of this Article 324) at the Offer Price and upon the terms and conditions set out detailed in the Transfer Notice.
- (c) In the event that the Acquirer agrees to purchase the Offered Shares of the Transferor by informing the Transferor by way of an Acceptance Letter, the Transfer of the Offered Shares by the Transferor to the Acquirer shall be completed within 30 (thirty) Business Days of receipt of Acceptance Letter by the Transferor on the same terms and conditions as set out in the Transfer Notice, provided that such 30 (thirty) Business Day period shall stand automatically extended by a maximum period of 9 (nine) months in order to enable the Acquirer and / or Transferor obtain any approvals required from any Governmental Authorities to consummate such transaction provided that the Acquirer and Transferor shall, in order to be entitled to such extended timelines, be required to take all reasonable steps to procure necessary approvals expeditiously. Subject to the terms of this Article 324, a Transfer Notice once made shall be binding, irrevocable and unconditional and issuance of an Acceptance Letter shall result in a binding agreement between the Transferor and the Acquirer in respect of the Offered Shares on the terms and conditions specified in the Transfer Notice and as provided above.
- (d) If the Acquirer has not served any Acceptance Letter or declines to purchase the Offered Shares within the Acceptance Period or fails to communicate acceptance/rejection during the Acceptance Period, the Transferor and the Transferee shall complete the Transfer of the Offered Shares at terms and conditions, including the Offer Price, not more favourable than those offered to the Acquirer in the Transfer Notice, within a period of 30 (thirty) Business Days from the earlier of the affirmative decline by the Acquirer or expiry of the Acceptance Period provided that such 30 (thirty) day period may be extended by a maximum period of 90 (ninety) days in order to enable the Transferee obtain any approvals required from any Governmental Authorities to consummate such transaction provided that the Transferee shall, in order to be entitled to such extended timelines, be required to take all reasonable steps to procure necessary approvals expeditiously (“**Sell-Off Period**”).
- (e) If the Transferor and the Transferee fail to complete the Transfer of the Offered Shares within the Sell-Off Period, the Transferor shall once again comply with the provisions of this Article 324 for any subsequent sale of its Equity Securities.
- (f) Any Transfer of Offered Shares by the Existing Investors to the Transferee shall be subject to such Transferee executing a deed of adherence in the form as agreed between the parties to the Existing Investors’ SHA. The Transferee shall be bound

by all the obligations of the Existing Investors under Part C of these Articles.

### **DRAG ALONG RIGHT**

325. Subject to Articles 316 to 319, in the event, the Acquirer ("**Dragging Shareholder**") proposes to Transfer its Equity Securities in the Company to a third party (other than to an Affiliate) ("**Proposed Purchaser**") such that the Proposed Purchaser would become a Shareholder exercising Control of the Company as a result of such Transfer, the Dragging Shareholder shall have the right but not an obligation ("**Drag Along Right**") to require the Existing Investors to sell all the Equity Shares (being Unreserved Shares) held by the Existing Investors in the Company, to the Proposed Purchaser, along with the Acquirer, and such Transfer shall be effected at the same price, as are being offered by the Proposed Purchaser to the Dragging Shareholder ("**Drag Price**").
326. The Drag Along Right shall be exercisable by the Dragging Shareholder delivering a written notice to the Existing Investors (a "**Drag Along Notice**"), setting out (a) the details of the Proposed Purchaser; and (b) the consideration offered for the Equity Shares held by the Existing Investors ("**Drag Along Shares**") including the mode and manner of payment of purchase consideration offered by the Proposed Purchaser. For the sake of clarity, it is hereby provided that the Dragging Shareholder can drag only such Drag Along Shares which are Unreserved Shares as on the date of Drag Along Notice.
327. Within 7 (seven) Business Days of the receipt of the Drag Along Notice, the Existing Investors shall, in accordance with the requirements under the Drag Along Notice, deliver to the Dragging Shareholder:
- (a) for such Drag Along Shares as are held in physical form: (I) original share certificates representing such Drag Along Shares; and (II) executed share transfer deeds for the purposes of such transfer; Transfer deeds shall be duly renewed by the Existing Investors if the transfer under Articles 325 to 328 does not occur within the validity period of such transfer deeds; and
  - (b) for such Drag Along Shares as are held in dematerialized form, executed instructions to the relevant depository participant authorising transfer of the Drag Along Shares.
328. The sale and purchase of the Drag Along Shares shall be effected simultaneously with the Transfer of the Shares by the Dragging Shareholder to the Proposed Purchaser.

### **NO TRANSFER TO COMPETITORS**

329. Notwithstanding anything contained in these Articles, without the prior written approval of the Acquirer, the Existing Investors will not be permitted to Transfer their shares to a Competitor under any circumstances whatsoever.

### **INTER-SE TRANSFER**

330. Each Existing Investor may Transfer all or part of the Equity Securities to one or more of

the other Existing Investors without any restriction whatsoever.

### **TRANSFER TERMS**

331. Any Transfer of Equity Securities by the Existing Investors transferred under these Articles (including under Articles 321 to 328) (“**Transferring Shares**”) shall be on the following terms:
- (a) all such Equity Securities shall be Unreserved Shares;
  - (b) the Existing Investors shall deliver to the applicable buyer duly executed share transfer forms in favour of the buyer or as the buyer may otherwise direct, together with the original share certificate(s) representing the Transferring Shares and a certified copy of any authority under which such Transfer(s) is/are executed and share certificate(s) representing the Transferring Shares. Provided, however, in case the Existing Investors hold their respective Transferring Shares in dematerialised form, each of the Existing Investors shall deliver the duly executed unconditional and irrevocable delivery instruction slips to their respective depository participants, instructing their respective depository participants to debit and transfer their respective Transferring Share to the designated demat account of Buyer;
  - (c) the Existing Investors shall provide all requisite indemnity backed representations and warranties to the buyer with respect to the authority, title to their respective shares (including but not limited to removal of the Regulatory Restriction) and the title to such Equity Securities being free of any Encumbrance, customary representations in relation to approvals and Tax; and
  - (d) the buyer of the Transferring Shares (being the Acquirer or the Proposed Purchaser) shall be entitled to undertake a limited due diligence on the title of the Equity Shares held by the Existing Investors to ensure that the Regulatory Restriction has been lifted and the Reserved Shares have become Unreserved Shares. The Existing Investors shall provide all cooperation, documents, assistance as may be deemed necessary by the buyer of the Transferring Shares to ascertain whether the Regulatory Restriction on the Reserved Shares have been lifted and whether the Restriction Removal Event as occurred.

### **EXPIRY OF ACQUIRER CALL OPTION PERIOD**

332. Notwithstanding anything to the contrary contained in these Articles, upon the expiry of the Acquirer Call Option Period, the provisions contained in Annexure 1 to Part C of these Articles (“**Exit Relaxation Provisions**”) shall, without any further act or deed, become effective and come in to full force and be applicable. The Exit Relaxation Provisions shall form an integral part of these Articles shall be read along with these Articles. All references to these Articles shall be deemed to include reference to the Exit Relaxation Provisions.

## EXISTING INVESTORS PUT OPTION

333. After the expiry of 6 (six) years from the Closing Date, in case the Restriction Removal Event has occurred prior to such date of expiry; and subject to the conditions set forth below, and no later than 30 (thirty) days of the date of such expiry, the Existing Investors shall be entitled to require the Acquirer to purchase all (but not less than all) of the Equity Securities held by the Existing Investors ("**Put Option Securities**") in the event the following conditions are met ("**Put Right**"):
- (a) the QIPO (as defined under Part B of these Articles) has not been completed;
  - (b) the Continuing Shareholders did not exercise its put option within 1 (one) year after the expiry of a one-year period after the Closing Date; and
  - (c) Continuing Shareholders has completely exited from the Company and does not hold any Equity Security in the Company.
334. Subject to Applicable Law, the Put Right shall be exercisable by the Existing Investors for a total purchase consideration as agreed between the parties to the Existing Investors' SHA ("**Put Option Price**").
335. The Existing Investors may exercise the Put Right by issuing a notice in writing ("**Put Notice**") to the Acquirer informing the Acquirer that they are desirous of exercising their Put Right, which notice shall contain details of the name and address of each of the Existing Investors, the corresponding number of Put Option Securities held by each Existing Investor and the bank account details of Existing Investors where the Put Option Price in relation to Put Option Securities shall be remitted by the Acquirer.
336. Subject to receipt of all necessary approvals as per Applicable Law, the Acquirer shall be under an obligation to purchase Put Option Securities within 30 (thirty) Business Days from the receipt of the Put Notice by the Acquirer, which period shall stand automatically extended by the period required for obtaining any applicable regulatory approvals from any Governmental Authority ("**Put Option Completion Period**") and the following shall be performed simultaneously:
- (a) the Acquirer shall remit the aggregate Put Option Price in relation to the Put Option Securities to the respective designated bank account of each of the Existing Investors (calculated on the basis of the number of Equity Securities held by each Existing Investor as specified in the Put Notice);
  - (b) the Existing Investors shall deliver to the Acquirer duly executed share transfer forms in favour of the Acquirer, together with the original share certificate(s) representing the Put Option Securities and a certified copy of any authority under which such Transfer(s) is/are executed. Provided, however, in case the Existing Investors hold their respective Put Option Securities in dematerialised form, each of the Existing Investors shall deliver the duly executed unconditional and irrevocable

delivery instruction slips to their respective depository participants, instructing their respective depository participants to debit and transfer their respective Put Option Securities to the designated demat account of Buyer; and

- (c) the Existing Investors shall provide representations and warranties and consequent indemnities in relation to title and no Encumbrance over the Put Option Securities.
337. The Shareholders shall take all steps necessary to satisfy their obligations under Articles 333 to 338 on or before the Put Option Completion Period, including obtaining all necessary consents (statutory or otherwise) and the Shareholders shall extend all such cooperation as may be required for the sale and transfer of the Put Option Securities by the Existing Investors in case of exercise of Put Right by the Existing Investors.
338. In the event that the Restriction Removal Event has occurred, and the Continuing Shareholders continues to be a shareholder of the Company at the time of the occurrence of the Restriction Removal Event, and thereafter, the Continuing Shareholders is Transferring the Equity Securities to any Person in accordance with Part B of these Articles and is exiting the Company and the Existing Investors do not exercise its Tag-along right as contained under Articles 354 to 365, then, notwithstanding anything contained to the contrary under these Articles or otherwise, the Put Right as contemplated under Articles 333 to 338 shall not be available to the Existing Investors, and shall automatically cease to be valid and subsisting from the date that the Tag-along right as contained under Articles 354 to 365 expires.

#### **EXIT RELATED OBLIGATIONS**

339. The Existing Investors shall support the exit of the Acquirer through IPO, sale of Equity Securities or otherwise (“Exit”). In the event of an Exit, the Existing Investors shall be bound to exercise all voting rights attached to their Equity Shares in favour thereof, in such manner as determined by the Acquirer, subject to the following:
- (a) the Existing Investors may decline participation in an Exit on account of the Existing Investors holding any Reserved Shares; or
  - (b) the Exit does not disproportionately and adversely impact the marketability or value of the Equity Securities held by the Existing Investors.

It is hereby clarified that Exit shall not be deemed to be “disproportionate and adverse” in the event: (i) the Existing Investors are unable to or decline to participate in an Exit; or (ii) the Equity Securities held by the Existing Investors are being dragged under Articles 325 to 328 hereto.

340. If the Exit envisages overseas listing (whether directly or through a transfer of business and/or assets and/or securities of the Company through one or more offshore vehicles) and the Existing Investors hold any Reserved Shares as a result of which the Existing Investors are not able to participate in such exit, then, subject to Applicable Law, the Acquirer and the Company shall take all reasonable steps in their control to provide a right to the

Existing Investors to offer the Equity Shares which become Unreserved Shares or which are no longer Reserved Shares in exchange for any listed securities of the offshore vehicle, at a price determined on the basis of the Fair Market Value of such Equity Shares and the listed securities of the offshore vehicle.

341. The Existing Investors shall irrevocably support the Exit (including by undertaking all such acts, matters and things and executing all documents necessary for the same in a manner determined by the Acquirer) provided the same does not result in the Existing Investors incurring any additional liability or cost other than as expressly contemplated under these Articles and costs that may be incurred by the Existing Investors towards legal and other advisors that they may engage, or may otherwise incur so as to participate in such Exit. More particularly, the Existing Investors shall provide all necessary information and documents necessary for preparing the offer document, obtaining such regulatory or other approvals and doing such further reasonable acts or deeds as may be necessary or required by the Acquirer to facilitate the Exit.
342. For the purposes of the IPO, the Existing Investors shall make the required representations, warranties or indemnities to any underwriter, broker, stock exchange, any Governmental Authority or any other Person in respect of the marketable title of the Existing Investors to the shareholding of the Existing Investors that is being included in such Exit and its ability to Transfer such Existing Investors' Equity Shares.

#### **TAG ALONG RIGHT WITH THE ACQUIRER**

343. In the event, the Acquirer ("**Selling Shareholder**") propose to Transfer any of its Equity Securities in the Company to a third party (other than to an Affiliate) ("**Proposed Acquirer**"), such that the Proposed Acquirer acquires Control over the Company, then the Existing Investors shall have a *pro rata* Tag Along Right in proportion to the Equity Shares held by them, for Transfer of the Unreserved Shares held by the Existing Investors in the Company.
344. The Selling Shareholder shall give a written notice (hereinafter referred to as "**Tag Offer Notice**") to the Existing Investors. The Tag Offer Notice shall state: (i) the total number of Equity Securities proposed to be sold ("**Sale Shares**") by the Selling Shareholder, (ii) the name and address of the Proposed Acquirer, (iii) the total number of shares which can be tagged along by the Existing Investors, which shall be such number of shares as is equal to the Equity Shares held by the Existing Investors on the date of actual transfer by the Existing Investors multiplied by a fraction, the numerator of which is the total number of Sale Shares and the denominator of which is the total number of Equity Securities held by the Selling Shareholders in the Company ("**Tag Shares**"); and (iv) the proposed sale price, including the proposed amount and form of consideration (the "**Tag Offer Price**") and terms and conditions offered by the Proposed Acquirer.
345. On receipt of the Tag Offer Notice, the Existing Investors shall have the right (the "**Tag Along Right**") (but not the obligation) to require the Selling Shareholder to ensure that the Proposed Acquirer purchases the Tag Shares from the Existing Investors, for the same consideration as to be paid to the Selling Shareholder by the Proposed Acquirer and on the

same terms and conditions applicable in respect of sale of the Sale Shares.

346. Within 30 (thirty) days following the receipt of the Tag Offer Notice (“**Tag Offer Period**”), if the Existing Investors elect to exercise their Tag Along Right, they shall deliver a written notice of such election to the Selling Shareholder (“**Tag Along Notice**”). Such notice shall be irrevocable and shall constitute a binding agreement by the Existing Investors to sell the Tag Shares on the terms and conditions (including the Offer Price) set forth in the Tag Offer Notice and at the same time the sale of the Sale Shares is consummated.
347. Where the Existing Investors have properly elected to exercise the Tag Along Right, the Selling Shareholder shall ensure that the Proposed Acquirer shall purchase, the Tag Shares from the Existing Investors simultaneous to the consummation of the purchase of the Sale Shares from the Selling Shareholder. The Selling Shareholder shall not be entitled to sell/transfer any of the Sale Shares to the Proposed Acquirer unless the Proposed Acquirer simultaneously purchases and pays for all the Tag Shares.
348. In the event the Existing Investors do not issue a Tag Along Notice within the Tag Offer Period, the Existing Investors shall be deemed to have elected not to sell the Tag Shares, and the Selling Shareholder shall be entitled to sell and Transfer all the Sale Shares to the Proposed Acquirer mentioned in the Tag Offer Notice. If completion of the sale and Transfer to the Proposed Acquirer does not take place within a period of 60 (sixty) days following the expiry of the Tag Offer Period, the right of the Selling Shareholders to sell the Sale Shares to the Proposed Acquirer shall lapse and the provisions of this Article 348 shall once again apply to the Sale Shares.
349. The sale and purchase of the Sale Shares and the Tag Shares shall be subject to and in accordance with all legal, Governmental or regulatory requirements. For avoidance of doubt, it is clarified that the Tag Along Right of the Existing Investors and any obligation on the Selling Shareholder to facilitate the sale of the Tag Shares under Articles 343 to 353 shall be subject to consummation of sale and Transfer of the Sale Shares by the Selling Shareholder to the Proposed Acquirer and in the event such sale and Transfer does not take effect for any reason, the Tag Along Right of the Existing Investors with respect to the Sale Shares shall lapse and all actions taken with respect to sale and Transfer of the Tag Shares shall become ineffective and be reversed, if necessary.
350. Where the sale of the Sale Shares to the Proposed Acquirer require prior legal, governmental or regulatory consent, then any period within which a sale of Sale Shares has to be completed shall be extended by such further period as is necessary for the purpose of obtaining the above approvals. Where the sale of the Tag Shares to the Proposed Acquirer requires prior legal, governmental or regulatory consent, then the Existing Investors shall procure such consent within a period of 60 (sixty) days from the Tag Along Notice failing which their right to tag along their shares under Articles 343 to 353 shall lapse and the Selling Shareholder shall be free to sell the Sale Shares to the Proposed Acquirer.
351. The Existing Investors shall provide all requisite and customary indemnity backed



representations and warranties, with respect to authority, title to their respective shares, approvals and tax obligations of the Existing Investors in relation to the proposed transfer of the Tag Shares and in addition, such warranties, if any, as are being provided by the Acquirer solely in its capacity as shareholder of the Company.

352. In the event the Existing Investor continues to hold Equity Securities in the Company post any transfer of shares by the Selling Shareholder, then the Selling Shareholder shall take reasonable efforts to require the Proposed Acquirer to execute a deed of adherence in the format as agreed between the parties to the Existing Investors' SHA and undertake, inter alia, to preserve all rights of the Existing Investors in relation to the Company in accordance with the terms of these Articles.
353. It is clarified that the Existing Investors shall have the right to exercise the Tag Along Right under Articles 343 to 353, only in respect of Unreserved Shares and not otherwise.

### **TAG ALONG RIGHT WITH CONTINUING SHAREHOLDERS**

354. Subject to the transfer restrictions contained in the Part B and Part C of these Articles, in the event that Continuing Shareholders ("**Selling Shareholder 2**") proposes to transfer by way of sale any Equity Securities held by them in the Company to a third party (other than to Affiliates) ("**Proposed Acquirer 2**") at any time(s), then the Existing Investors shall, shall have a *pro rata* Tag Along Right in proportion to the Equity Shares held by them, for sale of the Unreserved Shares held by the Existing Investors in the Company from time to time.
355. The Selling Shareholder 2 shall give a written notice (hereinafter referred to as "**Tag Offer Notice 2**") to the Existing Investors. The Tag Offer Notice 2 shall state (i) the total number of Equity Securities proposed to be sold ("**Sale Shares 2**") by the Selling Shareholder 2, (ii) the name and address of the Proposed Acquirer 2, (iii) the total number of shares which can be tagged along by the Existing Investors - which shall be such number of shares as is equal to the Equity Shares held by the Existing Investors on the date of actual transfer by the Existing Investors multiplied by a fraction, the numerator of which is the total number of Sale Shares 2 and the denominator of which is the total number of Equity Securities held by the Selling Shareholders in the Company ("**Tag Shares 2**"). Notwithstanding anything to the contrary, it is hereby clarified that the number of Tag Shares 2 shall be subject to a maximum of the Unreserved Shares held by the Existing Investors; and (iv) the proposed sale price, including the proposed amount and form of consideration (the "**Tag Offer Price 2**") and terms and conditions offered by the Proposed Acquirer 2. It is clarified that the Tag Offer Price 2 shall not include any *bona fide* performance linked earn out / remuneration to be received by the Promoters solely for continuing to be in the employment of the Company subsequent to such transfer.
356. On receipt of the Tag Offer Notice 2, the Existing Investors shall have the right (the "**Tag Along Right 2**") (but not the obligation) to require the Selling Shareholder 2 to ensure that the Proposed Acquirer 2 purchases the Tag Shares 2 from the Existing Investors at the Tag Offer Price 2 and on the same terms and conditions applicable in respect of sale of the Sale Shares 2 as contained under the Tag Offer Notice 2.

357. Within 15 (fifteen) Business Days following the receipt of the Tag Offer Notice 2 (“**Tag Offer Period 2**”), if the Existing Investors elect to exercise their Tag Along Right 2, they shall deliver a written notice of such election to the Selling Shareholder 2 (“**Tag Along Notice 2**”). Such notice shall be irrevocable and shall constitute a binding agreement by the Existing Investors to sell the Tag Shares 2 on the terms and conditions (including the Tag Offer Price 2) set forth in the Tag Offer Notice 2 and at the same time the sale of the Sale Shares 2 is consummated.
358. Where the Existing Investors have properly elected to exercise the Tag Along Right 2, the Selling Shareholder 2 shall ensure that the Proposed Acquirer 2 shall purchase, the Tag Shares 2 from the Existing Investors simultaneous to the consummation of the purchase of the Sale Shares 2 by the Proposed Acquirer 2 from the Selling Shareholder 2. The Selling Shareholder 2 shall not be entitled to sell/transfer any of the Sale Shares 2 to the Proposed Acquirer 2 unless the Proposed Acquirer 2 simultaneously purchases and pays for all the Tag Shares 2.
359. In the event (i) the Existing Investors do not issue a Tag Along Notice 2 within the Tag Offer Period 2, the Existing Investors shall be deemed to have elected not to sell the Tag Shares 2; or (ii) the Existing Investors notify the Selling Shareholder 2 that they do not intend to exercise their Tag Along Right 2 (“**Tag Rejection Notice 2**”), whichever is earlier, in such an event the Selling Shareholder 2 shall be entitled to sell and transfer all the Sale Shares to the Proposed Acquirer 2 mentioned in the Tag Offer Notice 2. If completion of the sale and Transfer to the Proposed Acquirer 2 does not take place within a period of 15 (fifteen) Business Days following the expiry of the Tag Offer Period 2 or receipt of the Tag Rejection Notice 2 by the Selling Shareholder 2, whichever is earlier, the right of the Selling Shareholders to sell the Sale Shares 2 to the Proposed Acquirer 2 shall lapse and the provisions of Articles 354 to 365 shall once again apply to the Sale Shares 2. The sale and purchase of the Sale Shares 2 and the Tag Shares 2 shall be subject to and in accordance with all legal, governmental or regulatory requirements. For avoidance of doubt, it is clarified that the Tag Along Right 2 of the Existing Investors and any obligation on the Selling Shareholder 2 to facilitate the sale of the Tag Shares 2 under Articles 354 to 365 shall be subject to consummation of sale and transfer of the Sale Shares 2 by the Selling Shareholder 2 to the Proposed Acquirer 2 and in the event such sale and transfer does not take effect for any reason, the Tag Along Right 2 of the Existing Investors with respect to the Sale Shares 2 shall lapse and all actions taken with respect to sale and transfer of the Tag Shares 2 shall become ineffective and be reversed, if necessary.
360. Where the sale of the Sale Shares 2 to the Proposed Acquirer 2 require prior legal, governmental or regulatory consent, then any period within which a sale of Sale Shares 2 has to be completed shall be extended by such further period as is necessary for the purpose of obtaining the above approvals. Where the sale of the Tag Shares 2 to the Proposed Acquirer 2 requires prior legal, governmental or regulatory consent, then the Existing Investors shall procure such consent within a period of 60 (sixty) days from the Tag Along Notice 2 failing which their right to tag along their shares under Articles 354 to 365 shall lapse and the Selling Shareholder 2 shall be free to sell the Sale Shares 2 to the

## Proposed Acquirer 2.

361. The Existing Investors shall provide all requisite and customary indemnity backed representations and warranties, with respect to authority, title to their respective shares, approvals and tax obligations of the Existing Investors in relation to the proposed transfer of the Tag Shares 2. If Continuing Shareholders procure a buyer's or seller's representations and warranties insurance policy from an insurance company to cover any losses that may arise on account of a breach of the representation and warranties being provided by Continuing Shareholders and/or the Company to the Proposed Acquirer 2, the Existing Investors shall share the costs of such representation and warranties insurance policy amongst themselves in proportion to their shareholding in the Company on a fully diluted basis.
362. Notwithstanding anything to the contrary contained in these Articles 354 to 365, the Continuing Shareholders shall be deemed to have provided the Existing Investors with a Tag Along Right 2 and shall be entitled to transfer their Equity Securities to any third party as long as they are able to ensure that the Company undertakes a buy-back of the Tag Shares 2 offered for sale by Existing Investors at the Tag Offer Price 2, substantially simultaneously with and on terms and conditions similar to, a proposed transfer by the Continuing Shareholders.
363. The Tag Along Rights 2 set out in Articles 354 to 365 shall apply as long as any of the Continuing Shareholders hold any Equity Securities in the Company and the Tag Along Rights 2 shall automatically terminate upon the Continuing Shareholders ceasing to be shareholders of the Company.
364. The Tag Along Right 2 of the Existing Investors contained under the Articles 354 to 365 is subject to (a) transfer restrictions applicable on the Equity Securities held by the Existing Investors under Part C of these Articles; and (b) transfer restrictions applicable on the Equity Securities held by the Continuing Shareholders under Part B of these Articles.
365. Any notices to be given pursuant to Articles 354 to 365 shall be in accordance with the Clause 3 of the Tag Along Agreement.

## FAIR MARKET VALUE

366. If at any time the Fair Market Value is to be determined in accordance with the terms of Part C of these Articles, the Company shall forthwith issue a written notice to the Existing Investors and the Acquirer informing them of the provision of these Articles under which Fair Market Value is to be determined ("**FMV Determination Notice**"). The Existing Investors and the Acquirer shall, forthwith and in any event within a period of 10 (ten) days from the date of receipt of the FMV Determination Notice appoint 1 (one) Independent Valuer each at its own cost and expense to determine the Fair Market Value in accordance with the methodology prescribed under Applicable Law.
367. In the event the Fair Market Value as determined by the respective Independent Valuers appointed by each of Acquirer and Existing Investors varies by more than 10% (ten per

cent), the Fair Market Value shall be determined by a Third Independent Valuer appointed by mutual agreement between the Existing Investors and the Acquirer, in accordance with the methodology prescribed under Applicable Law, which shall be final and binding on the Shareholders. Such Third Independent Valuer shall be appointed mutually by the Existing Investors and the Acquirer within a period of 10 (ten) days from the date the Acquirer and Existing Investors determine in writing that the Fair Market Value as determined by the respective Independent Valuers appointed by each of Acquirer and Existing Investors varies by more than 10% (ten percent).

368. In the event the Fair Market Value as determined by the respective Independent Valuers appointed by each of Acquirer and Continuing Shareholders varies by 10% (ten per cent) or less, the average of the Fair Market Values as determined by each of the Independent Valuers so appointed by the Acquirer and the Existing Investors shall be the Fair Market Value, and the same shall be final and binding on the Shareholders. The Company shall co-operate with each of the Independent Valuers appointed in accordance with Articles 366 to 368 and provide reasonable access to the Company's books and records for this purpose. The costs and expenses in relation to the Third Independent Valuer shall be borne by the Acquirer and the Existing Investors equally.

#### **INFORMATION COVENANTS**

369. The Company shall provide to the Existing Investors the following information on a timely basis:
- (a) the audited financial statements after the financial statements are approved by the Shareholders of the Company;
  - (b) profit and loss statements on a quarterly basis within 45 (forty five) days after the end of each financial quarter; and
  - (c) copies of litigation documents, legal notice, claims and documents received from or submitted to any Governmental Authority, to the extent they are related to or pertaining to the Existing Investors.

#### **STATUS OF EXISTING INVESTORS' SHAREHOLDING**

370. The Existing Investors shall, upon being requested in writing by the Acquirer and / or the Company, for the purpose of exercise of any rights of the Acquirer under these Articles, inform the Acquirer of (i) any Reserved Shares held by the Existing Investors becoming Unreserved Shares, (ii) any Unreserved Shares held by the Existing Investors becoming Reserved Shares, and/or (iii) any Equity Securities acquired by the Existing Investor becoming Reserved Shares.

#### **EVENT OF DEFAULT**

371. An event of default shall occur, in relation to the Existing Investors, if the Existing Investors, breaches or commits any default under: (i) Articles 300 and 301; (ii) Articles 316 to 338 and / or (iii) Clause 3 of the Existing Investors' SHA (which is deemed to be

incorporated by reference herein), and does not remedy that breach within 30 (thirty) days after receiving a written notice of that breach from the Company, provided that an Acquirer/Company default has not occurred.

### CONSEQUENCES OF DEFAULT

372. Without prejudice to the remedies available to the Acquirer and the Company under the Existing Investors' SHA, in the event of an event of default by the Existing Investors as per Article 371:
- (a) all the rights of each of the Existing Investors under Part C of these Articles shall be suspended with immediate effect, till the time that such default has been remedied by the Existing Investors, while each of the obligations of the Existing Investors under Part C of these Articles shall continue. The Acquirer and the Company while continuing to enjoy each of the rights conferred by these Articles, be relieved of all its obligations under these Articles till the time that such default has been remedied by the Existing Investors. Necessary amendments shall be made to the Charter Documents to give effect to the provisions of this Article;
  - (b) the Acquirer shall, by a notice to Existing Investors, be entitled to purchase all the Equity Shares held by the Existing Investors or may require such purchase of Equity Securities through the Company by way of a buy back (to the extent the Company is able to or allowed under Applicable Law). Upon receipt of such notice, the Existing Investors shall take all possible steps and execute all documents to sell all their Equity Securities to the Acquirer and/or the Company, as the case may be. The purchase / buy-back / capital reduction of such Equity Securities shall take place at 80% (Eighty per cent) of the Fair Market Value of the Equity Securities. Such sale / buy back of shares shall be completed within 20 (twenty) Business Days of the determination of the Fair Market Value or within such extended time as may be mutually decided by the Shareholders; and/or
  - (c) In case of a buy-back of Equity Securities under this Article, in the event that Applicable Law restricts the Company to complete the buy-back of all of the Existing Investors' Equity Securities ("**Buy Back Securities**"), then the Company shall buy back the maximum number of Buy Back Securities that the Company is permitted under Applicable Law from the Existing Investors, and the remaining number of the Buy Back Securities shall be bought back by the Company on the earliest date or dates permitted by Applicable Law.

### DISPUTE RESOLUTION

373. Any dispute, controversy or claim arising out of, in the course of or relating to Part C of these Articles (or the breach, termination or invalidity thereof) or the relationship of the parties in their capacity as shareholders of the Company (including any claims in relation to the management of the Company), shall be settled solely by arbitration, if the dispute is not resolved through such amicable negotiations within 30 (thirty) Business Days ("**Negotiation Period**") after one party has served a written notice on the other party

requesting the commencement of negotiations. Post the Negotiation Period, such dispute shall be referred at the request in writing of any party to the dispute (“**Dispute Notice**”) to arbitration administered by the Singapore International Arbitration Centre in accordance with the Arbitration Rules of Singapore International Arbitration Centre (the “**SIAC Rules**”), which rules are deemed to be incorporated by reference in Articles 373 to 377.

374. Each disputing party shall appoint one arbitrator. If the number of disputing parties is an even number, the arbitrators appointed by such disputing party shall jointly appoint another arbitrator (in each case referred to as “**Arbitration Board**”). If the Arbitration Board is not so nominated within 10 (ten) days from the date of the Dispute Notice, the sole arbitrator shall be chosen in accordance with the Rules.
375. The seat, or legal place, of arbitration shall be Singapore. The language to be used in the arbitral proceedings shall be English. The arbitration award shall be final and binding on all of the parties. Judgment upon the award rendered may be entered in any court having jurisdiction, or application may be made to such court for a judicial recognition of the award or an order of enforcement thereof, as the case may be, and to the extent permissible by law, the parties unconditionally waive their rights to challenge, set aside or appeal against the award rendered by the Arbitration Board.
376. Costs: Unless otherwise decided by the Arbitration Board, the costs of the arbitration, including administrative costs and arbitrators’ fees, shall be borne by the parties to the arbitration in equal shares. Each party shall bear its own attorneys’ fees and expenses.
377. Final and Binding: Any arbitration award shall be final and binding on the parties that were parties to the dispute.

## ANNEXURE 1

### 1. Right of First Offer

- 1.1 If all or any of the Existing Investors (“**ROFO Offering Party**”) propose to Transfer all of the Equity Securities (being Unreserved Shares) held by them to any person other than to any other Existing Investor, the Acquirer (the “**ROFO Offeree**”) shall have a right of first offer (“**Right of First Offer**”) to purchase / cause the Company to buy-back such Equity Securities, as provided in this Clause 1 of this Annexure I. The process to be followed for the exercise of the Right of First Offer is set out below:
  - (a) The ROFO Offering Party shall give a written notice (hereinafter referred to as “**Offer Notice**”) to the ROFO Offeree. The Offer Notice shall:
    - (i) State the maximum number of Equity Securities proposed to be Transferred (hereinafter referred to as the “**ROFO Shares**”); and
    - (ii) state the aggregate number of Equity Securities, the ROFO Offering Party and / its Affiliates owns at that time.
- 1.2 Within 60 (sixty) days of the receipt of such Offer Notice (the “**ROFO Notification Period**”), the ROFO Offeree will have a right (but not an obligation) to notify the ROFO Offering Party, by way of a written notice (“**ROFO Acceptance Notice**”), the offer price (“**Offer Price**”) per Equity Security for the entire ROFO Shares and the identity of the Person(s) who would be acquiring the ROFO Shares (“**ROFO Nominee**”, it being clarified that the ROFO Nominee may acquire all of the ROFO Shares to the exclusion of the ROFO Offeree). The ROFO Nominee may be (i) an Affiliate of the ROFO Offeree; (ii) the Company, in which event the ROFO Shares shall be acquired by way of a buy back to the extent permitted by Applicable Law; and/or (iii) any other Person (other than a Competitor or the Company) nominated by the Acquirer who shall be an Eligible Investor.
- 1.3 The ROFO Acceptance Notice shall be irrevocable and shall constitute a binding agreement by the ROFO Offeree and/or, if applicable, the ROFO Nominee, to purchase the ROFO Shares at the price set out in the ROFO Acceptance Notice, provided that the ROFO Shares shall, at the time of transfer, be Unreserved Shares. It is clarified that the ROFO Offeree and the ROFO Nominee shall be severally liable for their respective obligations towards the ROFO Offering Party to acquire the respective ROFO Shares as set out in the ROFO Acceptance Notice. Further, while making the offer, the ROFO Offeree and/or the ROFO Nominee shall also provide the details of the proof of funding for paying the Offer Price and shall confirm that they have, or will have at the closing of the sale and purchase of the ROFO Shares, sufficient funds to pay the Offer Price.

- 1.4 The ROFO Offering Party shall accept or decline the offer made by the ROFO Offeree and/or the ROFO Nominee(s) in the ROFO Acceptance Notice, and confirm its acceptance or non-acceptance to the ROFO Offeree within a 60 (sixty) day period from the date of receipt of the ROFO Acceptance Notice (the “**ROFO Confirmation Notice**”). If the Offer Price is acceptable to the ROFO Offering Party, then within 45 (forty five) days from the date of the ROFO Confirmation Notice (the “**Agreed Period**”), the ROFO Offering Party shall Transfer the ROFO Shares to the ROFO Offeree and/or the ROFO Nominee(s), and simultaneously the ROFO Offeree and/or the ROFO Nominee(s) shall pay the Offer Price per ROFO Share to the ROFO Offering Party. If required, the period for Transfer of the ROFO Shares stipulated above shall be extended automatically for a maximum period of 45 (forty five) days (the “**Extended Period**”) for the sole purpose of obtaining any requisite approval from the Governmental Authority. The Extended Period may be further extended jointly by the ROFO Offering Party and the ROFO Offeree for a period as mutually agreed.
- 1.5 If a valid ROFO Acceptance Notice is not received by the ROFO Offering Party within the ROFO Notification Period for any reason whatsoever or if the Offer Price is not acceptable to the ROFO Offering Party, then for a period of 90 (ninety) days from the date of expiry of the ROFO Notification Period, the ROFO Offering Party shall have a right (but not an obligation) to identify one or more Persons (the “**Purchaser**”) who are Eligible Investors for Transferring all or any of the ROFO Shares at a price that is 110% (one hundred and ten per cent) more than the Offer Price per Equity Security if a ROFO Acceptance Notice has been received, and at any price if no ROFO Acceptance Notice has been received within ROFO Notification Period.
- 1.6 The ROFO Offering Party shall, within a period of 90 (ninety) days from the expiry of the ROFO Notification Period, be required to execute definitive documents for sale of the ROFO Shares to the Purchaser, in one tranche. Forthwith thereafter and in any case within a period of 7 (seven) days after execution of definitive documents, the ROFO Offering Party shall send to the Company and the ROFO Offeree a certificate setting out the date on which definitive agreements have been executed, the identity of the Purchaser and the purchase price for the ROFO Shares. The Transfer to the Purchaser shall be completed, in one tranche, by delivering duly stamped and executed share transfer forms for such transfers to the Company and/or by carrying out the required procedures in the event any of the ROFO Shares are in a dematerialised form, simultaneously with or after the Purchaser executing a deed of adherence in the form as agreed between the parties to the Existing Investors’ SHA, within a period of 45 (forty five) days from the date of execution of definitive agreements with the Purchaser, failing which the right of first offer provisions of this Clause 1 of this Annexure I shall reapply. The Company and the Acquirer shall not prevent any such Transfer in accordance with this Clause 1 of this Annexure I to a Purchaser, provided the other provisions relating to Transfers specified in these Articles are complied with. The transfer to such Purchaser shall be subject to such Purchaser executing a deed of adherence in



the form as agreed between the parties to the Existing Investors' SHA. Any Affiliates of the ROFO Offeree that acquires shares pursuant to this Clause 1.6 of this Annexure I shall execute a deed of adherence in the form as agreed between the parties to the Existing Investors' SHA.

- 1.7 The Company and the Acquirer shall (i) provide all reasonable co-operation in regard to a proposed transfer by the Existing Investors including by providing information/documents required for a due diligence to be conducted by an Eligible Investor (who or which, for the avoidance of doubt, is not a Competitor), subject to the Eligible Investor executing necessary confidentiality agreements; and (ii) provide all reasonable assistance as may be necessary to achieve completion of any such transaction, including execution of relevant documentation.
- 1.8 The Company, the Acquirer and, if applicable, the ROFO Nominee shall maintain absolute confidentiality in relation to all aspects of (including of any offer made) the Right of First Offer provided under this Clause 1 of this Annexure I.

## **2. Assignment of Rights**

- 2.1 The Existing Investors shall be entitled to transfer rights attached to the Equity Securities held by them upon a transfer of all the Equity Securities to an Eligible Investor in accordance with the provisions of these Articles, pursuant to the such Eligible Investor executing a deed of adherence in the form as agreed between the parties to the Existing Investors' SHA. Further, notwithstanding anything to the contrary contained in these Articles, (a) the rights available under Articles 305 to 313, Clause 2 of this Annexure I, Article 369 and Articles 343 to 353 shall be exercisable by / available to the transferees of all the Equity Securities held by the Existing Investors as long as the relevant transferee holds at least 1% (one per cent) of the Share Capital of the Company on a Fully Diluted Basis. Provided, further, the transferee shall not be subject to the obligations set out in Articles 300 and 301.

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SL.NO	NAME, ADDRESS AND DESCRIPTION AND OCCUPATION OF SUBSCRIBERS AND SIGNATURES	SIGNATURE	NAME, ADDRESSES, OCCUPATION AND DESCRIPTION OF WITNESSES WITH SIGNATURE
1.	<p>Manthena Venkatapathi Raju S/o. Ramachandra Raju, No.2, P.W.D. Quarters, Kundan Bagh, Hyderabad - 500 016</p> <p>Medical Practitioner</p>	Signed	<p>Signed N.BUDDHA RAJU</p> <p>(Buddha Raju Narasimha Raju) S/o Viswanatha Raju Chartered Accountant, Room Nos. 4&amp;5 (2<sup>nd</sup> Floor) 5-9-250, Unity House, Abids Road, Hyderabad – 500 001</p>
2.	<p>Penmatcha Radha Krishna Appala Raju S/o.Ramabadhra Raju 2-1-195/2, Nallakunta, Hyderabad -500 044.</p> <p>Business</p>	Signed	

Dated at Hyderabad on this Eighth day of March 1978