

THE COMPANIES ACT, 2013
(COMPANY LIMITED BY SHARES)
ARTICLE OF ASSOCIATION¹
OF
LAVA INTERNATIONAL LIMITED
PART I – GENERAL ARTICLES

1. In these Regulations unless the context otherwise requires:

“The Company” or this company' means: **LAVA INTERNATIONAL LIMITED.**

- (a) “**the Act**” means the “**Companies Act, 2013**” and every statutory modification or re-enactment thereof and references to Sections or Rules of the Act shall be deemed to mean and include references to sections enacted in modification or replacement thereof.
- (b) “**Articles**” means these Articles of Association as originally framed or as altered, from time to time.
- (c) “**The Office**” means the Registered Office for the time being of the Company.
- (d) “**The Seal**” means the common seal of the Company, if any.
- (e) “**Actual Exit Value**” is the higher of: (i) the 90-day volume weighted average price of the Company’ Equity Securities on the recognized Stock Exchange as on the date of exercise of the Exit Notice, or (ii) the aggregate of the Investment Amount and an 8% IRR (calculated until the date of the Exit Notice) plus an additional 5% IRR (calculated from the date of the Exit Notice until the date of actual payment to the Investor) in the event of any delay by the Sponsors in procuring purchase of all the Investor Securities held by the Investor and / or its Affiliates within the Exit Period, provided that for any Investor Loss Event that occurs after completion of the IPO and the occurrence of such Investor Loss Event is for reasons or circumstances beyond the control of the Sponsors and/or the Company, the Actual Exit Value shall be reset to the higher of (i) the 90-day volume weighted average price of the Company Equity Securities (on the date of exercise of the Exit Notice) on the recognized Stock Exchange, or (ii) the Investment Amount;
- (f) “**Agreement**” means investment agreement entered between The Company and Bennett Coleman and Company Limited and the Promoters on August 1, 2017.

¹ These Articles are divided into Part I and Part II. Unless specifically set out otherwise herein, all the rights under Part I will continue to exist post the IPO and unless specifically set out otherwise herein, all rights under Part II shall cease to exist post the IPO.

- (g) “**Affiliate**” means, in respect of any specified Person, any other Person directly or indirectly Controlling or Controlled by or under direct or indirect common Control with such specified Person; provided that the Company shall not be considered an Affiliate of any Shareholder. In case of natural persons, his/her Relatives shall also be deemed to be Affiliates of such natural persons and any other Person controlled by such natural Person;
- (h) “**Bankruptcy Proceeding**” means any voluntary or involuntary insolvency, cession, liquidation, winding up, bankruptcy, reorganization, rearrangement, receivership, assignment for the benefit of creditors, or similar proceedings under applicable Indian law or any foreign equivalent;
- (i) “**BCCL**” means Bennett, Coleman and Company Limited;
- (j) “**BCCL Shares**” shall mean such number of Shares allotted to BCCL on conversion of all or some of the CCPS, at any point of time, in terms of Article 142 below;
- (k) “**Big 6 Accounting Firms**” means Ernst & Young, KPMG International, Deloitte & Touche, PriceWaterhouseCoopers, Grant Thornton and BDO and/or their respective associated/affiliated firms in New Delhi and/or Mumbai;
- (l) “**Board**” means the board of directors of the Company;
- (m) “**Business Day**” means any day of the week (excluding Saturdays, Sundays and public holidays) on which commercial banks are open for business in Hong Kong, Beijing and New Delhi;
- (n) “**CCPS**” means compulsorily convertible preference shares of the Company, having a par value of Rs.10 (Rupees Ten) per preference share and having such voting rights as prescribed under the Act and the Companies (Share Capital and Debenture) Rules, 2014.
- (o) “**CCPS Conversion Amount**” shall mean such amount of Total CCPS Price (as defined below) which is being converted into Shares, in accordance with Clause 4.4 of the Agreement;
- (p) “**Competitor**” means any Person engaged, directly or indirectly, in the same business as the Business;
- (q) “**Completion Date**” means December 04, 2017.
- (r) “**Conversion**” conversion of the Investor CCPS into Equity Shares in accordance to the terms and conditions as per these Articles.

- (s) “**Conversion Price**” means the price of the resultant Shares on conversion of the CCPS as determined upfront on the basis of a valuation report of a registered valuer in terms of Rule 13 of the Companies (Share Capital and Debenture) Rules, 2014;
- (t) “**Conversion Shares**” means the Equity Shares to be issued by the Company to the Investor upon conversion of all the Preference Shares which Equity Shares collectively represents 3.33% of the Share Capital calculated on a Fully Diluted Basis on the Funding Date as adjusted in accordance with these Articles. It is clarified that the Investor Equity Shares shall be excluded while calculating this 3.33% of the Share Capital as of the Funding Date for the above purpose;
- (u) “**Control**” or “**control**” means, in relation to a Person:
- (i) holding or controlling, directly or indirectly, a majority of the voting rights exercisable at shareholder meetings (or the equivalent) of that Person; or
 - (ii) having, directly or indirectly, the right to appoint or remove directors holding a majority of the voting rights exercisable at meetings of the board of directors (or the equivalent) of that Person; or
 - (iii) having, directly or indirectly, the ability to direct or procure the direction of the management and policies of that Person, whether through the ownership of shares, by contract or otherwise; and
- the terms “**controlling**” and “**controlled**” is construed accordingly
- (v) “**Corporate Action Event**” means any share split, bonus issue, stock dividend, recapitalization or recombination affecting the Equity Securities and any other transaction having the effect of any of the foregoing;
- (w) “**Deed of Adherence**” means a deed of adherence in a format as maybe separately agreed to between *inter alia* the Sponsors, the Investor and the Company;
- (x) “**Encumbrance**” means any mortgage, pledge, equitable interest, assignment by way of security, hypothecation, right of other Persons, claim, security interest, encumbrance, title defect, title retention agreement, interest, option, lien, charge, commitment, restriction or limitation of any nature whatsoever, including restriction on use, voting rights, transfer, receipt of income or exercise of any other attribute of ownership, right of set-off, any arrangement (for the purpose of, or which has the effect of, granting security), or any other security interest of any kind whatsoever, or any agreement, whether conditional or otherwise, to create any of the same;
- (y) “**Equity Securities**” means, with respect to the Company, the Company’s equity capital, membership interests, or other ownership interests (including Equity Shares) and/or any options, warrants, convertible debentures, convertible preference shares, loans or other securities that are directly or indirectly convertible into, or exercisable or exchangeable for, the Company’s Equity Shares (whether or not such securities are issued by the

Company and whether or not then currently convertible, exercisable or exchangeable and whether with or without payment of additional consideration) and includes the Preference Shares;

- (z) “**Exit Notice**” means the notice issued by the Investor upon occurrence of an Investor Loss Event at any time after 12 (twelve) months from the Funding Date and until 60 (sixty) months following the date of completion of the IPO, requiring the Company and the Sponsors to procure a complete exit for the Investor and/or its Affiliates from the Company on terms as may be agreed upon by the Company, its Sponsors and their Affiliates and the Investor.
- (aa) “**Exit Price**” means the term as defined under Article 9(a)(i) of these Articles;
- (bb) “**Equity Share(s)/Shares**” means the fully paid up equity share(s) of the Company having a par value of INR 10 (Rupees Ten) per share;
- (cc) “**Equity Subscription Amount**” means the subscription amount paid by the Investor to the Company for issuance and allotment of 1 (one) Equity Share on the terms as agreed upon between the Company, its Sponsors and their Affiliates and the Investor;
- (dd) “**Financial Year**” means the fiscal year of the Company, beginning on 1st April of each calendar year and ending on 31st March of the immediately succeeding calendar year, or such other period(s) as the Board or the Shareholders determine in accordance with applicable Law and the terms of these Articles but which shall always comprise of 12 (twelve) calendar months only;
- (ee) “**Fair Market Value**” means the fair market value of the shares of the Company based on a valuation report provided by the Nominated Valuer (as defined below) under Article 9(b)(ii);
- (ff) “**Fair Value**” has the same meaning ascribed to the term under Article 7A of these Articles;
- (gg) “**Financial Investor**” shall mean any Person who:
 - (i) Is not one of the Promoters and/or their affiliates or any entity, engaged directly in the media industry;
 - (ii) Subscribes to Shares by way of a preferential allotment of Shares after carrying out a due diligence;
 - (iii) Shall have paid a cash consideration of no less than Rs. 100,00,00,000 (Rupees One Hundred Crore), which shall have been paid in cash and not by way of capitalisation of expenditure.
- (hh) “**Fresh Offering**” shall have the meaning as set out in the Agreement;

- (ii) **“Fully Diluted Basis”** shall mean calculation of number of existing issued and subscribed equity shares including (i) such number of equity Shares that are to be issued assuming that all outstanding securities/rights/options, entitling the holder to equity shares (whether or not by their terms then currently convertible, exercisable or exchangeable), have been converted, exercised or exchanged as per the terms of the issue but not including Shares proposed to be issued to BCCL upon conversion of the CCPS; (ii) all further issue of equity Shares that are proposed to be issued in respect of merger, reorganisation, restructuring, that are approved by the Board of the Company prior to conversion of the CCPS; (iii) all further issue of equity Shares that are proposed to be issued in respect of any bonus issue, rights issue, split, consolidation that are approved by the Board of the Company prior to conversion of the CCPS; and (iv) equity Shares that are proposed to be issued in respect of an ESOP scheme;
- (jj) **“Funding Date”** means the date on which the Investor transferred the Equity Subscription Amount and the Preference Subscription Amount to the Company’s bank account as agreed by the Investor, with the Company, its Sponsors and their Affiliates;
- (kk) **“Governmental Approval”** means any Consent of or from any Governmental Authority;
- (ll) **“Governmental Authority”** with respect to all Shareholders other than the Investor means the Government of the Republic of India, or the government of any State, union territory or other sub-division of India or any ministry, department, board, regulatory, judicial or quasi-judicial authority, instrumentality, agency, corporation or commission under the direct or indirect control of the Government of the Republic of India or any political subdivision of any of them or owned or controlled by the Government of the Republic of India or any of its subdivisions, or any court, tribunal or judicial body. With respect to the Investor, in the foregoing definition of **“Governmental Authority”**, references to the Republic of India are to be substituted for references to the Hong Kong Special Administrative Region of the People's Republic of China;
- (mm) **“Indian GAAP”** means generally accepted accounting principles in the Republic of India consistently applied;
- (nn) **“IPO”** means an issue of new Equity Shares and/or an offer for sale of the existing Equity Shares of the Company in India wherein such Equity Shares would be listed on a Stock Exchange, in which at least such percentage of the post-listing paid-up share capital of the Company (on a Fully Diluted Basis) as required under applicable Law, are offered to the public. For the avoidance of doubt, the IPO shall be deemed to have occurred upon listing of the relevant Equity Securities on a Stock Exchange;
- (oo) **“Investor”** means Unic Memory Technology (Hong Kong) Limited having its registered office at 3806 Central Plaza, 18 Harbour Road, Wanchai, Hongkong;

- (pp) **“Investor CCPS”** means compulsorily convertible cumulative preference shares of the Company having a face value INR 100 (Rupees One Hundred) each allotted to the Investor by the Company on premium as agreed upon between the Company, its Sponsors and the Investor;
- (qq) **“Investor Equity Share”** means 1 (One) Equity Share of the Company, issued and allotted to the Investor in the Company on premium as agreed upon between the Company, its Sponsors and the Investor;
- (rr) **Investor Securities”** means the Preference Shares and/or the Investor Equity Share and/or any other Equity Securities acquired and held by the Investor, other than in an IPO and any Equity Securities issued to the Investor by the Company;
- (ss) **Investment Amount”** means the amount in USD as agreed between the Company, the Sponsors and the Investor;
- (tt) **“IRR”** means the internal rate of return on the Investment Amount, which rate of return is calculated:
- (i) from the Funding Date until another specified date;
 - (ii) as a per annum rate and all amounts are calculated and compounded on an annual basis and in USD; and
 - (iii) using the XIRR function in Microsoft Excel;
- (uu) **Law”** means all laws, ordinance, statutes, rules, orders, decrees, injunctions, licenses, permits, approvals, authorisations, consents, waivers, privileges, agreements and regulations, directions, notices, guidelines, circulars of any Governmental Authority having jurisdiction over the relevant matter as such are in effect as of the date hereof or as may be amended, modified, enacted or revoked from time to time hereafter;
- (vv) **“Liquidation Preference Event”** shall be deemed to include the following:
- (i) commencement of any proceedings for the voluntary winding up of the Company in accordance with the Act or the passing of an order of any court appointing a provisional liquidator or administrator in any other proceeding seeking the winding up of the Company; or
 - (ii) a consolidation, merger, acquisition, change in Control or reorganisation (including without limitation, an acquisition of securities of the Company) or other transaction or series of transactions of the Company upon conclusion of which the shareholders immediately preceding the event do not retain a majority of the voting power in the surviving entity; or a sale, lease and/or license or other Transfer of all or substantially all of the Company’s assets;

- (ww) **“Liquidation Preference Amount”** shall mean the proceeds from any Liquidation Preference Event available for distribution among the shareholders of the Company;
- (xx) **“Negotiated Deal”** means any transaction after occurrence of the IPO, which is executed off the Stock Exchange where the seller is aware of the identity of the purchaser;
- (yy) **“PAT”** shall refer to the consolidated profit after tax of the Company after exclusion of all non-recurring income and expenditure and extra ordinary income and expenditure determined and computed in accordance with Indian GAAP and also after exclusion of minority interests, arrived at in accordance with Accounting Standards 21, 23 and 27, as mandated by the Institute of Chartered Accountants of India;
- (zz) **Permitted Transfers** has the same meaning as ascribed to the term under Article 7A of these Articles;
- (aaa) **“Person”** means a corporation, association, unincorporated association, partnership (general or limited), joint venture, estate, trust, limited liability company, limited liability partnership or any other legal entity, individual or government, state or agency of a state;
- (bbb) **“Preference Shares”** means 5,00,000 (Five Lakh) Investor CCPS, having a premium as agreed between the Company, the Sponsors and the Investor, and having the terms set out in Part B (Terms and Conditions of the Preference Shares) issued and allotted by the Company to the Investor in terms as agreed between the Company, the Sponsors and the Investor;
- (ccc) **“Preference Subscription Amount”** means the subscription amount paid by the Investor to the Company for issuance and allotment of Preference Shares on the terms as agreed upon between the Company, its Sponsors and their Affiliates and the Investor;
- (ddd) **“Pro Rata Share”** means, with respect to any Shareholder, the proportion that the number of Equity Securities of the Company held by such Shareholder bears to the aggregate number of Equity Securities of the Company issued to the Company, in each case on a Fully Diluted Basis;
- (eee) **“Related Party”** in relation to any Person, means any other Person who is treated as a related party of the first Person under Indian Accounting Standards;
- (fff) **“Sponsors/Promoters”** means Mr. Hari Om Rai, Mr. Sunil Bhalla, Mr. Vishal Sehgal, Mr. Shailendra Nath Rai;
- (ggg) **“Subscription Price”** shall have the meaning as set out in Article 142.1 (a) below;
- (hhh) **“Subscription Shares”** collectively means the Initial Shares, as defined in the Agreement, the BCCL Shares and all Shares allotted or Transferred to BCCL in terms of the Agreement;

- (iii) “**Total CCPS Price**” shall have the meaning as set out in the Agreement;
- (jjj) “**Transfer**” means to directly or indirectly sell, gift, give, assign, transfer, transfer of any interest in trust, mortgage, alienation, amalgamate, merge or suffer to exist (whether by operation of law or otherwise) 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, but shall not include transfer by way of testamentary or intestate successions; and
- (kkk) “**Winding Up**” has the same meaning as ascribed to the term in the Act.

Words imparting the singular shall include the plural and vice versa, words imparting the masculine gender shall include the feminine gender and words imparting persons shall include bodies corporate and all other persons recognized by law as such.

“Month” and “year” means a calendar month and calendar year respectively.

Expression referring to writing shall be construed as including references to printing, lithography, photography and other modes of representing or reproducing words in visible form.

Unless the context otherwise requires, the words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modifications thereof, in force at the date at which these regulations become binding on the Company.

In the event there is a conflict between the provisions of (i) on the one hand, Part I of the Articles or Part II (B) (Specific Rights of the Investor); and (ii) on the other hand, the terms and conditions agreed between the Company, Sponsors and Investors, the terms and conditions agreed between the Company, Sponsors and Investors will supersede.

2. The Regulations contained in Table F in Schedule 1 to the Act shall not apply to the Company and the Articles contained herein shall be the regulations for the management of the Company and for the observance of its members and their representatives. They shall be binding on the company and its members as if they are the terms of an agreement between them.

SHARE CAPITAL

3. The Authorized Share Capital of the company shall be such amounts and be divided into such shares either may be Equity Shares or preference shares (compulsory convertible or redeemable) as may, from time to time, be provided in Clause 5th of the memorandum of association with power to increase or reduce the capital in accordance with the Company's regulations and legislative provisions for the time being in force on that behalf with the powers to divide the share capital, whether original or increased or decreased into several classes and attach thereto respectively such ordinary, preferential or special rights and conditions in such manner as may for the time being be provided by these Articles of the Company and allowed by law.

4. Subject to the provisions of these Articles and of the Act, the shares shall be under the control of the Board, who may allot or otherwise dispose of the same to such persons, on such terms and conditions and at such time as they think fit and with full power to give any person the option to call of or be allotted shares of the Company of any class, either at a premium or at par and for such time and for such consideration as the Board think fit (subject to the provisions of Section 53, 54, 56 and 58 of the Act), provided that option or right to call of shares shall not be given to any person except with the sanction of the Company in General Meeting. The Board shall cause to be made the returns as the allotment provided for in Section 39 of the Act.
5. Any application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the register shall, for the purposes of the Articles, be a member.
6. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may be varied in accordance with the provisions of Section 48 of the Act, subject to the consent in writing of the holders of three fourths of the issued shares of that class or with a sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

TRANSFER OBLIGATIONS BETWEEN THE SPONSORS, ITS AFFILIATES AND THE COMPANY

The provisions of Articles 7A, 7B and 8 shall apply notwithstanding anything else contained in these Articles.

Transfer of Equity Securities

The provisions of this Article 7A shall apply notwithstanding anything else contained in these Articles. To the extent any provision of this Article 7A is not intended to survive the IPO, on completion of the IPO such provisions shall automatically fall away without any further acts on part of the Shareholders. The deletion of any provisions of this Article 7A shall not affect the enforceability of the remaining provisions of this Article 7A in any manner and all such remaining provisions shall be valid and shall bind the Shareholders in the manner provide in this Article 7A. For the purposes of this Article 7A, BCCL shall not be considered a Shareholder.

- 7A. (a) Transfer: No Shareholder shall Transfer or attempt to Transfer any Equity Securities or any right, title or interest therein or thereto, except as expressly provided in this Article 7A. Any Transfer or attempt to Transfer Equity Securities or voting interest therein otherwise, than in accordance with this Articles shall be null and void *ab initio* and the Company shall not register any such Transfer.
- (b) Transfer Procedure: No Transfer may be made pursuant to these Articles unless:

- (i) the transferee has executed a Deed of Adherence, except if such Transfer is:
 - (A) is as a part of an offer for sale during an IPO, or
 - (B) occurs through a Stock Exchange after an IPO has occurred, or
 - (C) is to the Company pursuant to an offer made by the Company to buy back Equity Securities, or
 - (D) is pursuant to any delisting offer made in relation to Equity Securities, or
 - (E) is a Permitted Transfer.
- (ii) the Transfer complies in all respects of these Articles; and
- (iii) the Transfer complies in all respects with applicable Laws.

Other than as provided for the purposes of Article 9, in the event that the Fair Value or such other value of the Equity Securities is required to be determined, whether or not under applicable law, for any transaction (including a Transfer) contemplated by these Article, the Investor and the Sponsors shall mutually decide and appoint one of the Big 6 Accounting Firms to determine such Fair Value or other value of the Equity Securities, within 7 (seven) days of requirement of the occurrence of an event that requires determination of the Fair Value or such other value of the Equity Securities, or within 7 (seven) days of a notice from the Investor to the Sponsors requiring appointment of a valuer. If the Sponsors and the Investor fail to or do not mutually agree, and appoint the valuer within such period of 7 (seven) days, the Investor shall appoint the valuer at its sole discretion, which shall be one from amongst the Big 6 Accounting Firms. The Parties shall provide all the necessary cooperation for determining such Fair Value or other value of the Equity Securities. For the purposes of this Article (and where applicable, in these Article), “**Fair Value**” shall mean the value of the relevant Equity Security (on a Fully Diluted Basis) on a going concern basis between a willing seller and a willing buyer and on the basis that each Equity Security, whatever its class, has the same value corresponding to its proportion of the value of all the Equity Security taken as a whole and that no additional or reduced value is attached to any holding of Equity Securities by virtue only of that holding comprising or after purchase conferring or giving rise to a majority or minority of the total issued share capital of the Company.

(c) Permitted Transfers by the Investor

- (i) The following Transfers of Equity Securities held by the Investor and/or its Affiliate may be made freely and without any prior approval or consent of or notification to the Company or any Shareholder, by the Investor and/or any Affiliate of the Investor:

- (A) any Transfer by the Investor to an Affiliate, subject to the Investor executing a Deed of Adherence. Provided however, (i) if an Affiliate of the Investor ceases to be its Affiliate, such Affiliate shall Transfer and the Investor shall cause such Affiliate to transfer the Equity Securities of the Company to the Investor, and and (ii) immediately upon request of the Sponsor(s), from time to time, the Investor shall provide the Sponsor(s) evidence of such Person continuing to be its Affiliate. For the avoidance of any doubt, such Affiliate shall be deemed to have executed a Deed of Adherence if such Affiliate delivers a signed Deed of Adherence to the Company, and the Investor and/or its Affiliate shall have the option to undertake the Transfer pursuant to this Article 7A(c) notwithstanding the Company's refusal or failure to countersign such Deed of Adherence;
 - (B) any Transfer by the Investor as part of the offer for sale component in an IPO;
 - (C) any Transfer by the Investor to any Person after 12 (twelve) months from the Funding Date; and
 - (D) any Transfer by the Investor to any Person after an IPO has occurred (other than to a Competitor by way of a Negotiated Deal).
- (ii) Under no circumstances shall the Investor be entitled to Transfer the Equity Securities held by it to a Competitor, unless such Transfer is: (i) undertaken upon occurrence of an Investor Loss Event and the expiry of 90 (ninety) days from the date of receipt of an Exit Notice in accordance with Article 9(a); or (ii) a result of a Transfer through a Stock Exchange on the basis of anonymous on-market share sales; or (iii) not a Negotiated Deal. The restriction set out in Article 7A(c)(ii) shall continue to be in effect and apply to the Investor even after the completion of IPO.
 - (iii) Other than the Transfers of Equity Securities made by the Investor and/or its Affiliate: (i) pursuant to Article 7A(c)(i); and/or (ii) subsequent to the occurrence of an Investor Loss Event and issuance and receipt of an Exit Notice, all Transfers of Equity Securities by the Investor shall be subject to the provisions of Article 7B.
 - (iv) Subject to applicable Law, in any Transfer by the Investor upon receipt of reasonable notice, the Company shall, subject to the Investor and/or the prospective transferee and its authorized representatives entering into an agreement of confidentiality, give reasonable access to such

prospective transferee and its authorized representatives (including lawyers, accountants, auditors and other professional advisors) to visit and inspect all properties, assets, corporate, financial and other records, reports, books, contracts and commitments of the Company and to discuss and consult with respect to its business, actions, plans, budgets and finances with the directors and executive officers of the Company.

(d) Permitted Transfers by the Sponsors

(i) Neither the Sponsors nor their respective Affiliates shall Transfer their respective shareholding and/or their Equity Securities held by them in the Company to any Person, save and except as set out below:

(A) with the prior written consent of the Investor, provided that, this restriction of obtaining consent shall not apply if: (i) the Investor ceases to hold 25% (twenty five per cent) of the Investor Securities held by it as on the Completion Date, and/or; (ii) prior to the date of completion of the IPO, the Sponsors and their respective Affiliates collectively Transfer up to 10% (ten per cent) of the Share Capital as calculated on the date of the Transfer, and/or (iii) the Sponsors sell up to 15% (fifteen per cent) of their shareholding in the Company as of the date of the Transfer in the IPO, by way of an offer for sale in an IPO, and/or (iv) following the date of completion of the IPO, the Sponsors and their respective Affiliates collectively Transfer up to: (I) such number of Equity Securities so that the Company can maintain the minimum public shareholding in accordance with applicable Law (such Equity Securities, the “**Public Float Shares**”), and (II) over and above the Public Float Shares, 15% (fifteen per cent) of the Share Capital as calculated on the date of the Transfer; and/or

(B) any *inter se* Transfers between the Sponsors and their Affiliates provided that (i) the Affiliate of the Sponsors shall execute a Deed of Adherence, provided however, (I) if an Affiliate of the Sponsor ceases to be his Affiliate, such Affiliate shall Transfer and the Sponsor shall cause such Affiliate to transfer the Equity Securities to the Sponsor and (II) immediately upon request of the Investor, the relevant Sponsor shall provide the Investor evidence of such Person continuing to be his Affiliate; (ii) no Sponsor shall be entitled to Transfer its entire shareholding in the Company till the time the Investor holds at least 25% (twenty five per cent) of the Investor Securities as on the Completion Date, and (iv) no Investor Loss Event having occurred.

Provided further that, upon occurrence of an Investor Loss Event, the Sponsors shall be entitled to Transfer such amount of Equity Securities as is required to comply with their obligations under Article 9(a).

(C) creation of Encumbrance(s) by the Sponsors and their Affiliates up to 31% (thirty one per cent) of the Share Capital, subject to: (i) such Encumbrance(s) being created in favour of a bank or a financial institution; and (ii) all the proceeds raised from Encumbrance(s) solely being utilised for the Business of the Company and the subsidiary. The requirement to obtain a consent from the Investor under Article 166 shall not be applicable in this Article 7A(d)(i)(C).

(Articles 7A (d)(i)(A), (B) and (C), hereinafter to be referred to as “**Permitted Transfers**”).

(ii) For the avoidance of doubt: (I) the Permitted Transfers shall not be subject to compliance with the provisions of Article 8; (II) all other Transfers by the Sponsors and/or their Affiliates shall be subject to compliance with the provisions of Article 8.

(iii) The share transfer restrictions provided under this Article 7A on the Sponsors and their respective Affiliates shall apply from the date the Investor becomes a shareholder of the Company and until 24 (twenty-four) months from the date of completion of the IPO, and following the expiry of this period, the Sponsors and their respective Affiliates shall be entitled to transfer up to its entire shareholding in the Company to any Person or Persons, freely without any restrictions whatsoever.

(e) Avoidance of Restrictions

The Parties agree that the Transfer restrictions pertaining to the Investor under 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 sold in order to dispose of an interest in Equity Securities free of such restrictions.

Right of First Refusal

7B. In the event the Investor and/or its Affiliates (to whom Equity Securities have been transferred) (“**Transferring Party**”) proposes to sell any of its Equity Securities to Persons other than its Affiliates, the Sponsors and/or their Affiliates (each such Shareholder, a “**Non-Transferring Party/ies**”) shall have a right of first refusal with respect to such sale in the manner set out in this Article 7B (“**First Right**”). The Sponsors and/or their respective Affiliates shall have the right to exercise the First Right for a period of 12 (twelve) months from the Funding Date. The Non-Transferring Party

shall be entitled to exercise the First Right through a nominee as well.

- (a) Issuance of an Offer Notice. The Transferring Party shall give notice (“**Offer Notice**”) to the Non-Transferring Parties in accordance with Article 141A, specifying: (i) the name of the proposed purchaser (“**Prospective Purchaser**”); (ii) the number of Equity Securities that are proposed to be transferred to the Proposed Purchaser (the “**Offered Shares**”); and (iii) sale price of such Offered Shares (“**Offer Price**”).
- (b) ROFR Acceptance Notice. For a period of 30 (thirty) days after delivery of the Offer Notice (“**ROFR Period**”), the Non-Transferring Parties shall have the right to exercise the First Right directly or through a nominee by delivering within the ROFR Period, a written notice communicating its/their desire to purchase all (but not less than all) the Offered Shares in accordance with the terms and conditions of the Offer Notice (“**ROFR Acceptance Notice**”), to the Transferring Party. The failure of Non-Transferring Party to issue a ROFR Acceptance Notice to the Transferring Party within the ROFR Period shall be deemed to be a waiver of its First Right. The issuance of a ROFR Acceptance Notice shall be a binding and irrevocable commitment of the Non-Transferring Party to consummate the sale and purchase of the Offered Shares in accordance with Article 7B (d).
- (c) Third Party Sale. In the event none of the Non-Transferring Parties issue a ROFR Acceptance Notice in accordance with Article 7B (b), or any of the Non-Transferring Party that has issued a ROFR Acceptance Notice within the ROFR Period fails to undertake the closing: (i) in accordance with Article 7B (d); and (ii) within a period of 10 (ten) Business Days from the date of receipt of the ROFR Acceptance Notice (“**ROFR Closing Period**”), the Transferring Party shall be free to Transfer the Offered Shares to the Prospective Purchaser for a consideration, which is not less than the Offered Price, provided that the Transfer is made; (X) within 60 (sixty) days after the issuance of the Offer Notice, (if no ROFR Acceptance Notice issued); or (Y) within 30 (thirty) days of the expiry of the ROFR Closing Period. If such a Transfer to a Prospective Purchaser does not occur within the timelines as set out under Article 7B (c) for any reason, the restrictions, provided that in this Article 7B shall again become effective, and subject to these Articles, no Transfer of Equity Securities may be made by the Transferring Party thereafter, without again making an offer to the Non-Transferring Party in accordance with this Article 7B.
- (d) ROFR Closing. At the closing, the Transferring Party shall, subject to receipt of payment in full of the Offer Price in accordance with the terms set forth in the Offer Notice, deliver certificates representing the Offered Shares (indicated in the Offer Notice), accompanied by duly executed instruments of Transfer or in case of dematerialized Equity Securities duly executed Transfer instructions to the relevant Persons. At such closing, all of the parties to the transaction shall also execute such additional documents as may be necessary to effect the sale of the Offered Shares to the Non-Transferring Party. The Transferring Party shall not be

required to make any representation or warranty to the Non-Transferring Party, other than: (i) as to good and valid title to the Offered Shares held by the Transferring Party; (ii) legal and beneficial ownership of the Offered Shares; (iii) due organization and requisite authority to enter into such Transfer; (iv) such Transfer not being in violation of any organizational documents of the Transferring Party; and (v) that the Offered Shares are freely transferable without any Encumbrance (other than Encumbrances under to these Articles), or be liable for indemnification other than with respect to warranties in relation to the Offered Shares. The Non-Transferring Party shall deliver at such closing, payment in full of the Offer Price in accordance with the terms set forth in the Offer Notice.

- (e) ROFR Treatment of Specific Transfers. If more than 1 (one) Non-Transferring Party delivers a ROFR Acceptance Notice: (i) such Non-Transferring Parties shall be entitled to buy the Offered Shares in their Pro Rata Share or as per the number set out in the ROFR Acceptance Notice, provided that all (and not less than all) the Offered Shares are collectively purchased by the Non-Transferring Parties at closing in accordance with Article 7B (d) and; (ii) the Transferring Party shall be not be required to Transfer any Equity Securities to any Non-Transferring Party unless all such Non-Transferring Parties pay their share of the Offer Price within the ROFR Closing Period, in which case, the Non-Transferring Parties shall be deemed to have waived their First Right and the Transferring Party shall be free to transfer the Offered Shares in accordance with the terms of Article 7B (c), hereinabove.
- (f) Governmental Approvals: To the extent performance under Article 7B is subject to the receipt of any Governmental Approvals from Governmental Authorities, the relevant parties shall take steps, which are reasonably required for obtaining all such Governmental Approvals from the relevant Governmental Authorities and shall cooperate and make all applications and take all steps reasonably required to obtain the same and for making such payments within such time period as per these Articles. Provided that, the time required to obtain such Governmental Approvals from the Governmental Authorities shall not be counted towards calculation of the time periods stipulated in this for performance of their respective obligations under this Article 7B. For avoidance of doubt, in the event the application for a Governmental Approval is rejected by a Governmental Authority, the Offered Shares shall be freely transferable.

Tag Along Right

8. (a) Any Transfer of Equity Securities by the Sponsors and/or their respective Affiliates, other than a Permitted Transfer, shall be subject to the prior written consent of the Investor. Subject to such consent of the Investor, in the event of any transfer of Equity Securities (such Equity Securities the “**Transferred Equity Securities**”) by the Sponsors and/or their respective Affiliates (being a Transfer other than a Permitted Transfer), the Investor shall have the right

as
respect
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(“**Tag Along Right**”) but not the obligation, to require the Sponsors and/or their respective Affiliates to cause the transferee to purchase from the Investor, for the same consideration per Equity Security and upon the same terms and conditions are to be paid and given to the Sponsors and/or its Affiliates (except that the Investor shall not be required to make any representations or warranties except as provided in Article 8(d) or otherwise be liable for any indemnification, (which is clarified shall not be on a joint basis with any other Person), other than with respect to the warranties in relation to the Tag Along Securities), up to all the Equity Securities then held by the Investor. If the Investor holds Equity Securities in the form of Preference Shares, for the purpose of determining price for the Transfer of such Preference Shares, the Preference Shares shall be deemed to be converted as per these Articles.

(b) Tag Along Notice

Within 30 (thirty) days following the receipt of the Tag Along Notice, in the event the Investor elects to exercise its Tag Along Right, it shall deliver a written notice of such election (“**Tag Along Notice**”) to the Sponsors and/or its Affiliates in accordance with Article 141A (“**Tag Acceptance Notice**”) indicating the number of Equity Securities that the Investor proposes to Transfer as part of its Tag Along Right (“**Tag Along Securities**”). Such notice shall be irrevocable and shall constitute a binding agreement by the Investor to sell such Tag Along Securities on the same price and terms and conditions as are offered to the Sponsors and their respective Affiliates, provided that, the Investor may, in its sole discretion, elect to reduce the price of the Tag Along Securities to comply with applicable Law, which the Investor shall compulsorily be required to do if any Governmental Approval is rejected due to the price of the Tag-Along Securities, failing which the Sponsors and/or their Affiliates shall be permitted to freely transfer the Transferred Equity Securities to any third party transferee. In the event, the Investor fails to issue a Tag Acceptance Notice within the specified period of 30 (thirty) days following the receipt of the Tag Along Notice or rejects the Tag Along Notice, the Sponsors and its Affiliates shall be free to transfer the Transferred Equity Securities, on such terms, that are not more favorable to transferee than those specified in the Tag Along Notice, within 60 (sixty) days from the date of issuance of the Tag Along Notice.

(c) Non-Consummation

Where the Investor has properly elected to exercise its Tag Along Right and the proposed transferee fails to purchase Tag Along Securities from the Investor, the Sponsors and/or its Affiliates shall not make the proposed Transfer, and if purported to be made, such Transfer shall be void and the Company shall not register any such Transfer of the Transferred Equity Securities.

(d) Closing

The closing of any purchase of Tag Along Securities by the transferee from the Investor shall take place simultaneously with the closing of the purchase of Transferred Equity Securities by the transferee from the Sponsors and its Affiliates. At such closing, the Investor shall deliver certificates representing the Tag Along Securities, accompanied by duly executed instruments of transfer or in case of dematerialized Equity Securities, duly executed transfer instructions to the relevant Person. Such Tag Along Securities shall be free and clear of any Encumbrance (other than creation of Encumbrances as created under these Articles, and the Investor shall represent and warrant that: (i) the title of the Tag Along Securities is valid and good; (ii) it is the legal and beneficial and record owner of such Tag Along Securities; (iii) Transfer of Tag Along Securities shall not be in violation of any organizational documents of the Investor or any contract as under Law and/or any contract; and (iv) the Tag Along Securities are freely transferable and free and clear of any Encumbrance (other than Encumbrances as created under these Articles). The Investor shall not be required to make any other representations or warranties. Any transferee purchasing the Tag Along Securities shall deliver at such closing (or on such later date or dates as may be provided in the Tag Along Notice with respect to payment of consideration by the proposed transferee) payment in full of the total value of the consideration for the proposed transfer in accordance with the terms set forth in the Tag Along Notice and an executed Deed of Adherence. At such closing, all of the parties to the transaction shall execute such additional documents as may be necessary or appropriate to effect the sale of the Equity Securities to the transferee. For the avoidance of any doubt, such transferee shall be deemed to have executed a Deed of Adherence if such transferee delivers a signed Deed of Adherence to the Company, and the Investor and/or its Affiliate shall have the option to undertake the Transfer pursuant to this Article 8 notwithstanding the Company's refusal or failure to countersign such Deed of Adherence.

(e) Governmental Approvals

To the extent performance under Article 8 is subject to the receipt of any Governmental Approvals from Governmental Authorities, the Company, its Sponsors and their Affiliates and the Investor (as may be applicable) shall take steps, which are reasonably required for obtaining all such Governmental Approvals from the relevant Governmental Authorities and shall cooperate and make all applications and take all steps reasonably required to obtain the same and for making such payments within such time period as per these Articles. Provided that, the time required to obtain such Governmental Approvals from the Governmental Authorities shall not be counted towards calculation of the time periods stipulated in this, for performance of their respective obligations under the Article 8.

(f) Post-IPO Tag Along Right

(i) Following the date of completion of the IPO, the provisions of this Article 8 shall not apply in case any Transfer of Equity Securities by a

Sponsor or its Affiliate through a Stock Exchange on the basis of anonymous on-market share sales. For the avoidance of doubt, such Transfer shall be subject to the provisions of Article 7A of these Articles.

- (ii) This share transfer restrictions provided under this Article 8 on the Sponsors and their respective Affiliates shall apply from the date the Investor becomes the Shareholder of the Company until 24 (twenty four) months from the date of completion of the IPO.

Investor Exit and Liquidated Damages

9. (a) Investor Exit

- (i) For the purposes of these Articles, “**Investor Loss Event**” means the occurrence of any of the following:
 - (A) if the IPO is not completed within 12 (twelve) months of the Funding Date, or if the IPO has been completed without the written consent of the Investor, where the consent of the Investor is required;
 - (B) if on account of reasons / circumstances which are attributable to the Sponsors and/or the Company and within its control, within 36 (thirty six) months from the completion of the IPO, the market value of the Company falls below such a valuation amount as agreed between the Company, Sponsors and the Investors for a continuous period of 2 (two) weeks;
 - (C) if, with or without the receipt of the prior written approval of the Investor, the Sponsors’ and their Affiliates’ collective shareholding in the Company falls below 51% (fifty one per cent) of the Share Capital
 - (D) the Company or any Sponsor becomes the subject of any admitted Bankruptcy Proceeding or if the Company voluntarily commences or accedes to any Bankruptcy Proceeding;
 - (E) (I) prior to completion of the IPO, a material breach of covenants, obligations or undertakings by the Sponsors or the Company relating to Article 7A (Transfer), Article 163 (Pre-Emptive Rights of the Investor), Article 164 (Anti-Dilution Rights), Article 165 (Most Favorable Rights) and Article 166 (Corporate Governance) of these Articles, (II) after the completion of the IPO, a material breach of covenants, obligations or undertakings by the Sponsors or the Company relating to Article 8 (Tag Along Right) of these Articles, and in each case failure to remedy any such breach within 30 (thirty) days of receipt of a written notice by the Investor in this regard (if such breach is capable of being remedied or cured); and
 - (F) any fraud, gross negligence or willful misconduct by the Sponsors and/or their respective Affiliates.

- (ii) Upon occurrence of an Investor Loss Event, the Investor may, at its sole discretion, at any time after 12 (twelve) months from the Funding Date and until 60 (sixty) months following the date of completion of the IPO, send to the Sponsors, a written notice (“**Exit Notice**”), requiring the Company and the Sponsors to procure a complete exit for the Investor and/or its Affiliates (as the case may be) in accordance with Article 9(a)(iii) below for a consideration which is the higher of the: (i) Fair Market Value; or (ii) Actual Exit Value (“**Exit Price**”), within 120 (one hundred and twenty) days from the date of such Exit Notice (“**Exit Period**”).
- (iii) On and from the date of the Exit Notice, and in any case within the Exit Period, the Sponsors shall procure a purchase of all the Investor Securities held by the Investor and/or its Affiliates (as the case may be) for a consideration payable to the Investor which is not less than the Exit Price. By way of illustration, such exit for the Investor and/or its Affiliates can be through any, or a combination, of the following:
- (A) the Sponsors procuring a sale of all the Investor Securities held by the Investor and/or its Affiliates to any Person; and/or
 - (B) the Sponsors procuring that the Company purchase all the Investor Securities held by the Investor and/or its Affiliates, by way of a buy-back and/or reduction of Share Capital; and/or
 - (C) any other manner in accordance with Law.
- In connection with the exit above, the Investor and/or its Affiliates shall not be required to: (A) make any representation or warranty, other than (i) as to good and valid title to the Investor Securities held by the Investor and/or its Affiliates; (ii) legal and beneficial ownership of the Investor Securities; (iii) due organization and requisite authority to enter into such Transfer; and (iv) such transfer not being in violation of any of its/their organizational documents; and (v) that the Investor Shares are freely transferable without any Encumbrance (other than Encumbrances under these Articles), and (B) provide any indemnification other than with respect to the warranties in relation to the Investor Securities referred in (A) in which case, the extent of such indemnity shall not be more than 105% (One Hundred and Five Per cent) of sale consideration received by the Investor.
- (iv) In the event that the Company and/or the Sponsors cannot procure purchase from the Investor of all the Investor Securities held by it in accordance with Article 9(a)(iii), the Sponsors shall procure purchase from the Investor and/or its Affiliates of all the Investor Securities held by it at a price other than the Exit Price, subject to: (i) the Investor being agreeable to such price; and (ii) the payment of Liquidated Damages. For the avoidance of doubt, the Investor and/or its Affiliates shall Transfer the Investor Securities simultaneously with the receipt of the Liquidated Damages and such other consideration agreed between the Sponsors and the Investor pursuant to this Article.
- (v) If, (a) upon issuance of an Exit Notice, the Sponsors are unable pay the Investor

the Exit Price in full, within the Exit Period, in the manner set out in Article 9(a)(iii), or (b) the Investor's holdings and interests in the Company, including the Investor Securities, are expropriated or otherwise confiscated by Governmental Authorities in India, the Sponsors shall pay the Investor the Liquidated Damages set out in Article 9(a)(vi)

- (vi) The liquidated damages payable by the Sponsors to the Investor pursuant to Articles 9(a)(iv) and/or 9(a)(v) shall be the Actual Exit Value, less any amounts already received/to be received by the Investor from sale or disposal of the Investor Securities held by the Investor and/or its Affiliates pursuant to Article 9(a)(iv) ("**Liquidated Damages**"). The Sponsors and the Investor agree that that the Liquidated Damages are a genuine and reasonable pre-estimate of the damages incurred by the Investor upon the occurrence of an Investor Loss Event. All amounts payable to the Investor under this Article may be paid to any Person designated by the Investor (by intimation in writing to Sponsors). Upon such intimation, all rights of Investor under this Article will be deemed to be the rights of such assignee / designated Person of the Investor and upon payment in full by the Sponsors to the assignee / designated Person of the Investor, the Sponsors shall be relieved from their obligation under this Article.
- (vii) The right of the Investor to deliver an Exit Notice and to seek payment of the Liquidated Damages shall be without prejudice to any other remedy that the Investor may have, including the right to seek indemnification and/or specific performance. Provided, however, that the Investor shall not claim for any Losses, expenses or damages on more than 1 (one) occasion so long as it has received the Actual Exit Value.
- (viii) If any Governmental Approvals from Governmental Authorities are required for the Sponsors to pay Liquidated Damages to the Investor, the Sponsors shall make their best efforts, and the Investor shall cooperate, to procure such Governmental Approvals at the earliest. In the event the relevant Governmental Approvals cannot be obtained, the Company, its Sponsors and their Affiliates and the Investor shall, in good faith, endeavour to find alternative mechanisms to achieve this intention to pay Liquidated Damages, as permitted under applicable Law.
- (ix) For the avoidance of doubt:
 - (A) the rights of the Investor under this Article 9(a) shall be personal and joint and several obligations of the Sponsors and not an obligation of the Company; and
 - (B) the Company and the Sponsors shall not undertake any action (or omit to take any action) which prejudices any right or remedy of the Investor and its/their respective ability to give effect to this Article 9.
- (b) Valuation
 - (i) In the event that the Fair Market Value or such other value of the Equity Securities is required to be determined (whether or not under applicable Law), such valuation shall be determined by one of the Big 6 Accounting Firms

(“**Nominated Valuer**”). The Nominated Valuer shall be appointed in the following manner:

- (A) Within 7 (seven) days of receipt of an Exit Notice by the Sponsors from the Investor, the Sponsors and Investor shall mutually agree on the Nominated Valuer, which shall be one amongst the Big 6 Accounting Firms, provided that such Nominated Valuer shall not have a conflict of interest with respect to the Company or the Investor;
 - (B) If within 7 (seven) days of receipt of an Exit Notice by the Sponsors from the Investor, the Sponsors and Investor fail to, or do not mutually agree and, appoint the Nominated Valuer, the Investor shall appoint the Nominated Valuer at its sole discretion, within 2 (two) days of expiry of 7(seven) days within which the Sponsors and the Investors were required to mutually agree on a valuer, which shall be one from amongst the Big 6 Accounting Firms, provided that such Nominated Valuer shall not have a conflict of interest with respect to the Company or the Investor.
- (ii) The Fair Market Value shall be determined on the following principles:
- (A) Following completion of an IPO, the Fair Market Value shall be the highest price permitted under applicable Law; and
 - (B) Prior to completion of an IPO, the Fair Market Value shall be determined based on any internationally accepted valuation methodology which the Nominated Valuer may propose at its sole discretion.
- (iii) For the avoidance of doubt:
- (A) The Fair Market Value determined by the Nominated Valuer shall be final and binding;
 - (B) The Nominated Valuer appointed under the provisions of this Article is an expert and not an arbiter and any valuation provided by the Nominated Valuer shall not be the subject matter of arbitration proceedings between the Company/Sponsors and the Investor.
- (iv) Notwithstanding Article 9(a), time taken by: (i) the Sponsors and/or the Investor under Article 9(b) to appoint the Nominated Valuer, and (ii) the Nominated Valuer to determine the Fair Market Value or such other value of the Investor Securities, shall both, subject to a maximum period of 30 (thirty) days, be excluded from, and not be counted towards, the calculation of the Exit Period.
- (c) If an Investor Loss Event occurs at any time after the Funding Date, the Sponsors undertake to deliver to the Investor a written notice containing full and relevant details of such Investor Loss Event immediately upon the occurrence of such an Investor Loss Event.

For the avoidance of doubt: (i) immediately upon receipt of the Exit Notice, all rights and privileges of the Sponsors and their respective Affiliates under these Articles (including the rights and privileges contained in Articles 7 and 8) shall stand suspended, except that

- the Sponsors and their respective Affiliates shall be permitted to Transfer their Equity Securities in accordance with Article 7A if only for the sole purpose of liquidating their Equity Securities to provide the Investor and/or its Affiliates with an exit in accordance with Article 9(a) (“**Investor Exit**”), and Sponsors hereby irrevocably undertake to use all the proceeds from any Transfer of Equity Securities by the Sponsors and/or their respective Affiliates solely for providing the Investor Exit; and (ii) delivery of an Exit Notice shall not in any manner restrict the Investor from Transferring its Investor Securities, save and except for any Transfers to Competitors (which restriction shall apply only until the completion of 90 (ninety) days from the date of receipt of an Exit Notice by the Sponsors and/or the Company.
10. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not unless otherwise provided by the terms of issue of the shares of that class be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.
 12.
 - (a) The company may exercise the powers of paying commissions conferred by 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 the Section.
 - (b) The rate of commission shall not exceed the rate of 5% (five per cent) of the price at which the shares in respect whereof the same is paid are issued or an amount equal to 5% (five per cent) of such price, as the case may be and in the case of debentures 2½% (two and a half per cent) of the price at which the debentures in respect whereof the same is paid are issued or an amount equal to 2½% (two and a half per cent) of such price, as the case may be.
 - (c) The commission may be satisfied by payment in cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.
 - (d) The Company may also, on any issue of shares, pay such brokerage as may be lawful.
 13.
 - (a) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after allotment (or within such other period as the conditions of issue shall provide) or within one month after the application for the registration of transfer is received by the Company.
 - (i) One certificate for all his shares without payment, or
 - (ii) Several certificates, each for one or more of his shares, provided that any subdivision, consolidation or splitting of certificates required in marketable lots shall be done by the Company free of any charges.
 - (b) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid up thereon.

- (c) 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 sufficient delivery to all such holders.
14. The Company agrees, that it will not charge any fees exceeding those which may be agreed upon with the Stock Exchange.
- (a) for issue of new certificates in replacement of those that are torn out, defaced lost or destroyed;
- (b) for sub-division and consolidation of shares and debenture certificates and for subdivision of Letters of Allotment and Split, Consolidation, Renewal and Pucca Transfer Receipts into denominations other than those fixed for the market units of trading”.
15. If any shares stand in the names of two or more persons, the person first named in the register of members shall as regards receipt of dividends, the service of notices and subject to the 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 share, be deemed the sole holder thereof.

LIEN

16. Subject to the provisions of Act the Company shall have a first and paramount lien upon all the shares (not being a fully paid up share) for all monies (presently payable) registered in the name of such member (whether solely or jointly with others) and upon the proceeds of sale thereof for his debts, liabilities and engagements (whether presently payable or not) solely or jointly with any other person, to or with the Company, whether the period for the payment, fulfillment or discharge thereof shall have actually lien or not and such lien shall extend to all dividends, from time to time, declared in respect of shares, subject to section 123 of the Act. The Board may at any time declare any shares to be wholly or in part exempt from the provisions of this clause.
17. The Company may sell, in such manner as the Board think fit, any share on which the Company has a lien provided that no sale shall be made:
- (a) unless a sum in respect of which the lien exists is presently payable; or
- (b) until the expiration of 14 (fourteen) days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.
18. (1) To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof.

- (2) The purchaser shall be registered as the shareholder of the shares comprised in any such transfer.
 - (3) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the sale.
19. (1) The proceeds of the sale shall be received by the company and applied in payment of the whole or part of the amount in respect of which the lien exist as is presently payable.
- (2) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares as the date of sale, be paid to the person entitled to the shares at the date of the sale.

CALLS ON SHARES

20. (1) The Board may, from time to time, make calls upon the members in respect of money unpaid on their shares (whether on account of the nominal value of the shares 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 share or be payable at less than one month from the date fixed for the payment of the last preceding call.
- (2) Each member shall, subject to receiving at least 14 (fourteen) days' notice specifying the time or times and place of payment of the call money pay to the Company at the time or times and place so specified, the amount called on his shares.
- (3) A call may be revoked or postponed at the discretion of the Board.
21. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed. Call money may be required to be paid by installments.
22. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
23. (a) 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 ten per cent or at such lower rate, if any as the Board may determine.
- (b) The Board shall be at liberty to waive payment of any such interest wholly or in part.
24. (a) Any sum which by the terms of issue of a share become payable on allotment or at any fixed date, whether on account of the nominal value of the shares or by way of premium, shall for purposes of these regulations, be deemed to be a call duly

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

- (b) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
25. Subject to the provisions of Section 50 and 179 of the Act, the Board:
- (a) May, if it thinks fit, receive from any member willing to advance all or any part of the money uncalled and unpaid upon any shares held by him; and
- (b) If it thinks fit, may pay interest upon all or any of the moneys advanced on uncalled and unpaid shares (until the same would but for such advance become presently payable) at such rate not exceeding, unless the Company in general meeting shall otherwise direct, 12% (twelve per cent) per annum as may be agreed upon between the Board and the member paying the sums or advances, Money so paid in advance shall not confer a right to dividend or to participate in profits.
26. On the trial or hearing on any suit or proceedings brought by the Company against any member or his representative to recover any debt or money claimed to be due to the Company in respect of his share, it shall be sufficient to prove that the name of the defendant is or was, when the claim arose, on the Register of members of the company as a holder or one of the holders of the number of shares in respect of which such claim is made and that the amount claimed is not entered as paid in the books of the Company and it shall not be necessary to prove the appointment of the Directors who resolved to make any call, nor that a quorum of Directors was present at Board Meeting at which any call was resolved to be made, nor that the meeting at which any call was resolved to be made was duly convened or constituted nor any other matter, but the proof of the matters aforesaid shall be conclusive evidence of the debt.
27. Neither the receipt by the Company of a portion of any money which shall, from time to time, be due from any member to the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall, preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as hereinafter provided.

TRANSFER AND TRANSMISSION OF SECURITIES

28. The Company shall keep a "Register of Transfers" and therein shall fairly and distinctly enter particulars of every transfer or transmission of any share(s) or securities.
29. (a) the instrument of transfer of any securities in the Company shall be executed by or on behalf of both the transferor and the transferee.
- (b) The transferor shall be deemed to remain a holder of the security until a properly signed deed of transfer is received by the Company within 2 months of its

execution and proper note thereof has been taken and name of transferee has been entered in the Register of Members/Securities, as the case may be.

30. The instrument of transfer shall be in writing and all the provisions of Act and modification thereof for the time being shall be complied with in respect of all transfers of shares and registration thereof.
31. Unless the Directors decide otherwise, when an instrument of transfer is tendered by the transferee, before registering any such transfer, the Directors shall give notice by letter sent by registered acknowledgement due post to the registered holder that such transfer has been lodged and that unless objection is taken the transfer will be registered. If such registered holder fails to lodge an objection in writing at the office within 10 (ten) days from the posting of such notice to him, he shall be deemed to have admitted the validity of the said transfer. Where no notice is received by the registered holder, the Directors shall be deemed to have decided not to give notice and in any event to the non-receipt by the registered holder of any notice shall not entitle him to make any claim of any kind against the Company or the Directors in respect of such non-receipt.

TRANSFER OF SECURITIES

32. The Board may, subject to the right of appeal conferred by Section 58 of the Act decline to register:
 - (a) The transfer of a share not being a fully paid up share, to a person of whom they do not approve; or
 - (b) any transfer of the share on which the Company has a lien, provided that the registration transfer shall not be refused on the ground of transferor being either alone or jointly with any person or persons indebted to the Company on any account except a lien.
33. The Board may decline to recognize any instrument of transfer unless:
 - (a) The instrument of transfer is in the form as prescribed in rules made under subsection (1) of section 56;
 - (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
 - (c) The instrument of transfer is in respect of only one class of shares.
34. All instruments of transfer which shall be registered shall be retained by the Company, but may be destroyed upon the expiration of such period as the Board may from time to time determine. Any instrument of transfer which the Board declines to register shall (except in any case of fraud) be returned to the person depositing the same.

35. (a) On giving not less than 7 (seven) days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than 30 (thirty) days at any one time or for more than 45 (forty five) days in the aggregate in any year.

- (b) There shall be no charge for:
- (i) Registration of shares or debentures.
 - (ii) sub-division and/or consolidation of shares and debentures certificates and sub-division of Letters of Allotment and split consolidation, renewal and pucca transfer receipts into denominations corresponding to the market unit or trading;
- (c) Sub-division of renounceable Letters of Right;
- (d) Issue of new certificates in replacement of those which are decrepit or worn out or where the cages on the reverse for recording transfers have been fully utilized;
- (e) Registration of any Powers of Attorney, Letter of Administration and similar other documents.

TRANSMISSION OF SECURITIES

36. (a) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognized by the company as having any title to his interest in the shares.
- (b) Nothing in clause (a) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
37. (a) Any person becoming entitled to a share 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 share; or
 - (ii) to make such transfer of the share as the deceased or 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 share before his death or insolvency.

38. (a) If the person so becoming entitled shall elect to be registered as holder of the share himself, he 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 share, he shall testify his election by executing a transfer of the share.
- (c) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.
39. On the transfer of the share being registered in his name a person becoming entitled to a share 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 share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company.

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

40. Where the Company has knowledge through any of its principal officers within the meaning of Section 2 of the Estate Duty Act, 1953 of the death of any member of or debenture holder in the company, it shall furnish to the controller within the meaning of such section, the prescribed particulars in accordance with that Act and the rules made thereunder and it shall not be lawful for the Company to register the transfer of any shares or debentures standing in the name of the deceased, unless the transferor has acquired such shares for valuable consideration or a certificate from the Controller is produced before the Company to the effect that the Estate Duty in respect of such shares and debentures has been paid or will be paid or that none is due, as the case may be.
41. The Company shall incur liability whatever in consequence of its registering or giving effect, to any transfer of share made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the register of members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the said shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer and may have entered such notice or referred thereto, in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability 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 though not bound so to do, shall be at liberty to regard and attend to any such notice and give effect thereto if the Board shall so think fit.

FORFEITURE OF SHARES

42. If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.
43. The notice aforesaid shall:
- (a) Name a further day (not being earlier than the expiry of 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; and
 - (b) State that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.
44. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time, thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the date of forfeiture, which shall be the date on which the resolution of the Board is passed forfeiting the shares.
45. (a) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
- (b) At any time before a sale or disposal, as aforesaid, the Board may annul the forfeiture on such terms as it thinks fit.
46. (a) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all moneys which, at date of forfeiture, were presently payable by him to the Company in respect of the shares together with interest thereon from the time of forfeiture until payment at the rate of 9 % (nine per cent) per annum.
- (b) The Liability of such person shall cease if and when the Company shall have received payments in full of all such money in respect of the shares.
47. (a) A duly verified declaration in writing that the declarant is a director, the manager or the secretary of the Company and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share.

- (b) The Company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of.
 - (c) The transferee shall thereupon be registered as the holder of the share.
 - (d) The transferee shall not bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
48. The provisions of these regulations as to forfeiture shall apply, in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.
49. The forfeiture of a share shall involve the extinction of all interest in and also of all claims and demands against the Company in respect of the share, and all other rights incidental thereto except only such of those right as by these Articles are expressly saved.
50. Upon any sale, after forfeiture or for enforcing a lien in purported exercise of powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the Register in respect of the shares sold and the purchaser shall not be bound to see to the regularity of the proceedings or to be application of the purchase money and after his name has been entered in the Register in respect of such shares, the validity, of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.
51. Upon any sale, re-allotment or other disposal under the provisions of these Articles relating to lien or to forfeiture, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect. When any shares, under the powers in that behalf herein contained are sold by the Board and the certificate in respect thereof has not been delivered up to the Company by the former holder of such shares, the Board may, issue a new certificate for such shares distinguishing it in such manner as it may think fit, from the certificate not so delivered.
52. The Directors may subject to the provisions of the Act, accept from any member on such terms and conditions as shall be agreed, a surrender of his shares or stock or any part thereof.

CONVERSION OF SHARES INTO STOCK

53. The Company may, by an ordinary resolution:
- (a) Convert any paid-up shares into stock; and

- (b) Reconvert any stock into paid-up shares of any denomination authorised by these regulations.
54. The holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred or as near thereto as circumstances admit:
- Provided the Board may, from time to time, fix the minimum amount of Stock transferable, so however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.
55. The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regard dividends voting and meeting of the Company, and other matters, as if they held the shares 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 on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.
56. Such of the regulations of the Company (other than those relating to share warrants), as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholders” in those regulations shall include “stock” and “stockholder” respectively.

SHARE WARRANTS

57. The Company may issue share warrant, subject to and in accordance with, the provisions of the Act and accordingly the Board may in its discretion with respect of any share which is fully paid up, on application in writing signed by the person registered as holder of the share and authenticated by such evidence (if any) as the Board may, from time to time, require as to the identity of the person signing the application and on receiving the certificate (if any) of the share; and the amount of the stamp duty on the warrant and such fee as the Board may, from time to time, require, issue a share warrant.
58. (i) The bearer of a share warrant may at any time deposit the warrant at the office of the Company and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the Company and of attending and voting and exercising, the other privileges of a member at meeting held after the expiry of 2 (two) clear days from the time of deposit, as if his name were inserted in the register of members as the holder of the shares included in the deposited warrant.
- (ii) Not more than one person shall be recognized as depositor of the share warrant.
- (iii) The Company shall, on 2 (two) days written notice, return the deposited share warrant to the depositor.
59. (i) Subject as herein otherwise expressly provided, no person shall, as bearer of a share warrant, sign a requisition for calling meeting of the Company or attend or

vote or exercise any other privilege of a member at a meeting of the company or be entitled to receive any notice from the Company.

- (ii) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he was named in the register of member as the holder of the shares including in the warrant and he shall be deemed to be a member of the Company in respect thereof.
60. The Board may, from time to time, make rules as to the terms on which (if it shall think fit) a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction of the original.

ALTERATION OF CAPITAL

61. The Company may, from time to time, by ordinary resolution increase its share capital by such sum, to be divided into shares of such amount, as the resolution shall specify.
62. The Company may, by ordinary resolution in general meeting:
- (a) Consolidate and divide all or any of its capital into shares of larger amounts than its existing shares:
 - (b) sub-divide its shares or any of them, into shares of similar amounts than is fixed by the Memorandum of Association, so however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived;
 - (c) Cancel any share which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.
63. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorized and consent required by law:
- (a) Its share capital;
 - (b) Any capital redemption reserve account; or
 - (c) Any share premium account.
64. The Company may, from time to time, by special resolution and on compliance with the provisions of Section 66 of the Act, reduce its share capital.
65. The Company shall have power to establish Branch Offices, subject to the provisions of the Act or any statutory modifications thereof.
66. The Company shall have power to pay interest out of its capital on so much of shares which were issued for the purpose of raising money to defray the expenses of the

construction of any work or building or the provision of any plant for the Company in accordance with the provisions of the Act.

67. The Company, if authorised by a special resolution passed at a General Meeting may amalgamate or cause itself to be amalgamated with any other person, firm or body corporate, subject however, to the provisions of Section 230 to 232 of the Act.

BUY-BACK OF SHARES

68. Notwithstanding anything contained in these Articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

GENERAL MEETING

69. All General Meetings other than the Annual General Meetings of the Company shall be called Extra-Ordinary General Meetings.
70. (1) The Board may, whenever it thinks fit call an Extraordinary General Meeting.
- (2) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

CONDUCT OF GENERAL MEETINGS

71. No general meeting, annual or extraordinary, shall be competent to enter upon, discuss or transact any business which has not been stated in the notice by which it was convened or called.
72. (a) No business shall be transacted at any general meeting, unless a quorum of members is present at the time when the meeting proceeds to business.
- (b) Save as otherwise provided in Section 103 of the Act, a minimum of:
- (i) Five members personally present if the number of members as on the date of meeting is not more than one thousand;
- (ii) Fifteen members personally present if the number of members as on the date of meeting is more than one thousand but up to five thousand;
- (iii) Thirty members personally present if the number of members as on the date of the meeting exceeds five thousand;

Furthermore, A body corporate, being member, shall be deemed to be personally present if it is represented in accordance with Section 113 of the Act.

CONDUCT OF MEETINGS

73. The Chairman, if any of the Board shall preside as Chairman at every general meeting of the company.
74. If there is no such Chairman or if he is not present within fifteen minutes of the time appointed for holding the meeting or is unwilling to act as Chairman of the meeting, the Directors present shall elect one of their members to be the Chairman of the meeting.
75. If at any meeting no Director is willing to act as Chairman or if no Director is present within 15 (fifteen) minutes of the time appointed for holding the meeting, the members present shall choose one of their members to be the Chairman of the meeting.
76. No business shall be discussed at any general meeting except the election of a Chairman, whilst the chair is vacant.
77. (i) The Chairman 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 place to place.
- (ii) No business shall be transacted at any adjourned meeting, other than the business left unfinished at the meeting from which the adjournment took place.
- (iii) When a meeting is adjourned for 30 (thirty) days or more, fresh notice of any adjourned meeting shall be given as in the case of an original meeting.
- (iv) Save as aforesaid, it shall not be necessary to give any notice of any adjournment or of the business to be transacted at an adjourned meeting.
78. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a second or casting vote.
79. Any business other than that upon which a poll has been demanded, may be preceded with, pending the taking of the poll.

VOTES OF MEMBERS

80. Subject to any rights or restrictions for the time being attached to any class or classes of shares:
- (a) On a show of hands, every member present in person shall have one vote; and
- (b) On a poll, the voting rights of members shall be as laid down in Section 47 of the Act.
81. In the case of joint holders, the vote of the senior who tenders a vote whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For

this purpose, seniority shall be determined by the order in which the names of joint holders stand in the Register of members.

82. A member of unsound mind or in respect of whom an order has been made by any Court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll by his committee or other legal guardian, and any such committee or guardian may on a poll, vote by proxy, provided that such evidence as the Board may require of the authority of the person claiming to vote shall have been deposited at the office not less than 24 hours before the time of holding the meeting or adjourned meeting at which such person claims to vote on poll.
83. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
84. No member shall be entitled to vote at any general meeting unless all calls and other sums presently payable by him in respect of shares in the Company or in respect of shares, on which the Company has exercised any right of lien, have been paid.
85. (i) 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.
- (ii) Any such objection made in due time shall be referred to the Chairman of the meeting, whose decision thereon shall be final and conclusive.
86. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarized copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.
87. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
88. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given, Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

BOARD OF DIRECTORS

89. The number of Directors of the Company shall not be less than three and not more than fifteen.

90. The following shall be the first directors of the Company:
1. SHAILENDRA NATH RAI
 2. SUNIL BHALLA
 3. HARI OM RAI
91. At every Annual General Meeting of the Company one-third of such of the Directors for the time being as are liable to retire by rotation in accordance with the provisions of Section 152 of the Act or if their number is not three or a multiple of three, then the number nearest to one third shall retire from office in accordance with the provisions of Sections 152 of the Act.
92. (i) Subject to the provisions of the Act and Rules made there under each Director shall be paid sitting fees for each meeting of the Board or a committee thereof, attended by him a sum not exceeding Rs. 2,000 (Rupees Two Thousand).
- (ii) Subject to the provisions of Section 197 of the Act, the Directors shall be paid such further remuneration, whether in the form of monthly payment or by a percentage of profit or otherwise, as the Company in General Meeting may, from time to time, determine and such further remuneration shall be divided among the Directors in such proportion and in such manner as the Board may, from time to time, determine and in default of such determination, shall be divided among the directors equally of is so determined paid on a monthly basis.
- (iii) The remuneration of the Directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day to day.
- (iv) Subject to the provisions of Sections 197 of the Act, if any Director be called upon to perform any extra services or make special exertions or efforts (which expression shall include work done by a Director as a member of any committee formed by the Directors) the Board may pay such Director special remuneration for such extra services or special exertions or efforts either by way of a fixed sum or by percentage of profit otherwise and may allow such Director at the cost and expense of the Company such facilities or amenities (such as rent free house, medical aid and free conveyance) as the Board may determine from time to time.
- (v) In addition to the remuneration payable to them in pursuance of the Act, the Directors may be paid in accordance with company's rules to be made by the Board all travelling, hotel and other expenses properly incurred by them:
- (a) In attending and returning from meetings or adjourned meeting of the Board or any committee thereof; or
 - (b) In connection with the business of the Company.

93. The Directors shall not be required to hold any qualification shares in the Company.
94. Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the 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.

95. If it is provided by any trust deed securing or otherwise in connection with any issue of debentures of the Company that any person or persons shall have power to nominate a Director of the Company then in the case of any and every such issue of debentures, the persons having such power may exercise such power, from time to time and appoint a Director accordingly. Any Director so appointed is herein referred to as a Debenture Director. A Debenture Director may be removed from office at time by the person or persons in whom for the time being is vested the power under which he was appointed and another Director may be appointed in his place. A debenture Director shall not be liable to retire by rotation.
96. In the course of its business and for its benefit the Company shall, subject to the provisions of the Act, be entitled to agree with any person, firm, corporation, government, financing institution or other authority that he or it shall have the right to appoint his or its nominee on the Board upon such terms and conditions as the Directors may deem fit. Such nominees and their successors in office appointed under this Article shall be called Nominee Directors. Nominee Directors shall be entitled to hold office until requested to retire by the government, authority, person, firm, institution or corporation who may have appointed them and will not be bound to retire by rotation. As and whenever a Nominee Director vacates office whether upon request as aforesaid or by death, resignation or otherwise the government, authority, person, firm, institution or corporation who appointed such Nominee Director may if the agreement so provide, appoint another Director in his place.

96A Shareholders' Nominee Director

Notwithstanding the rights set out under Article 96 above, each person who becomes shareholder of the Company pursuant to purchase of shares held by the promoters (i.e. Mr. Hari Om Rai, Mr. Sunil Bhalla, Mr. Shailendra Nath Rai and Mr. Vishal Sehgal) shall be entitled to appoint such number of nominee director(s) on the board of the Company, in accordance with the ratio of their aggregate shareholding in the Company to the number of directors on the board of the Company in compliance with applicable laws, subject to a right to appoint at least 1 (one) nominee director on the board of the Company ("**Shareholders' Nominee Director(s)**"). For avoidance of any doubt, if 2 (two) or more such shareholders' want to appoint Shareholders' Nominee Director(s) on the board of the Company, then the ratio will be the sum of their aggregate shareholding

collectively to the number of directors on the board of the Company, subject to a right to appoint at least 1 (one) Shareholders' Nominee Director on the board of the Company. The Shareholders' Nominee Director so appointed shall be a non-executive director and shall not be responsible for the day-to-day management of the Company and shall not be liable for any failure by the Company to comply with applicable laws. The Shareholders' Nominee Director shall not be required to hold any qualification shares and shall not be required to retire by rotation. The board of the Company shall not pass any resolutions in connection with the items (a) to (z) set out as follows unless the Shareholders' Nominee Director(s) have voted in favour of such resolution and the shareholders will not pass any resolution in connection with the items (a) to (z) set out as follows if the Shareholders' Nominee Director(s) appointed has not voted in favour of such item at the board level:

- (a) Amending, restating, modifying or supplementing the constitutional documents of the Company;
- (b) Granting any Person any special rights or privileges in the Company including but not limited to pre-emption rights, tag along rights, call options and such other related rights.
- (c) Issuing any additional equity or other securities, including options in respect of, rights to subscribe for or to convert any instrument into, any equity or other securities, or other analogous rights or equity-linked securities or warrants.
- (d) Any change in the Company's statutory auditors;
- (e) Any change in the financial year or accounting year of the Company;
- (f) Finalising, approving and adopting the business plan, annual accounts and annual budget of the Company and any change or deviation thereto;
- (g) Any merger, de-merger, acquisition, strategic sale, amalgamation, reorganization, reconstruction or consolidation of the Company or similar transactions whether with or into any other business entity or otherwise;
- (h) Sale, transfer, assignment, mortgage, pledge, hypothecation, grant of any encumbrances in, subject to any lien, or otherwise dispose of, any substantial assets of the Company;
- (i) Varying any rights, obligations or terms of any encumbrance on the whole or any part of the assets or properties owned directly or indirectly by the Company in favour of any person or agreeing to any release, waiver or modification of any encumbrance or security created over the shares of the Company;
- (j) Any liquidation, winding up, dissolution, disposition, sale, license, encumbrance or transfer of all or substantially all of the assets of the Company, whether or not voluntary or any restructuring or reorganization which has a similar effect or closure of an existing business;
- (k) Declaration or payment of any dividends or distributions by the Company or any of its affiliates, in favour of any of their shareholders at the time when an event of default in respect of borrowings of any third party secured by shares of the Company is subsisting or buy-back of any capital;
- (l) Incurrence of capital expenditure or expenditure of any assets;
- (m) Guaranteeing any debt or obligation or providing indemnities;
- (n) Any investment in any entity or enterprise whether as debt, credit, equity or equity linked instruments or otherwise and acquisition of shares, assets, business, business organization or division of any other person;
- (o) The extension of any loan or advance to any party;

- (p) Establishing or creating any subsidiaries or establishing, creating or participating in any joint ventures, collaborations or partnerships;
 - (q) Liquidating and/or selling its shareholding in any of its subsidiaries and/or any joint venture entity or permitting any action that will result in any subsidiary or joint venture entity ceasing to be a subsidiary or joint venture;
 - (r) Permitting any change in the shareholdings of the Company;
 - (s) Material change in the scope, nature and/or activities of the Company and commencement of any new line of business, which is unrelated to the business of the Company;
 - (t) Change in the constitution or legal status of the Company;
 - (u) Doing or permitting any act which is not permitted under any provision of any transaction document to which promoters are a party;
 - (v) Any agreement, arrangement, transaction or assignment of any assets of the Company other than in the ordinary course of business;
 - (w) Change in tax and accounting policies of the Company;
 - (x) Entering into any agreement or transaction not in the ordinary course of the Company's business;
 - (y) Delegation of authority or any of the powers relating to any matter contained in these points (a) to (z) by the board of directors to any individual or committee and any commitment or agreement to do any of the foregoing; and
 - (z) Any agreement or understanding to achieve any of the matters specified in these points (a) to (z).
97. Subject to the provisions of Section 161 of the Act, the Board shall have power to appoint an alternate Director to act for a Director during his absence for a period of not less than three months from India.
98. The Directors shall have power, at any time and from time to time, to appoint any qualified person to be a director to fill a casual vacancy. Such casual vacancy shall be filled by the Board at a meeting of the Board. Any person so appointed shall hold office only up to the date up to which the director in whose place he is appointed would have held office if it had not been vacated as aforesaid but he shall then be eligible for re-election.
99. A person may be or become a director of any company promoted by the company or in which it may be interested as a vendor, shareholder or otherwise and no such Director shall be accountable for any benefits received as director or shareholder of such company. Such Director, before receiving or enjoying such benefits in case in which the provisions of Section 188 of the Act are attracted will ensure that the same have been complied with.
100. Every nomination, appointment or removal of a Special Director shall be in writing and in accordance with the rules and regulations of the government, corporation or any other institution. A Special Director shall be entitled to the same rights and privileges and be subject to same obligations as any other Director or the Company.
101. The office of a Director shall become vacant:
- (a) on the happening of any of the events provided for in Section 167 of the Act;

- (b) on the contravention of the provisions of Sections 188 of the Act, or any statutory modifications thereof;
 - (c) if a person is a Director of more than twenty Companies at a time, out of which not more than 10 (Ten) shall be Public Companies.
 - (d) in the case of alternate Director on return of the original Director to the State, in terms of Section 161 of the Act; or
 - (e) on resignation of his office by notice in writing and is accepted by the Board.
102. Every Director present at any meeting of the Board or a committee thereof shall sign his name in a book to be kept for that purpose, to show his attendance thereat.

POWERS OF BOARD OF DIRECTORS

103. The Board may pay all expenses incurred in the formation, promotion and registration of the Company.
104. 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 those Sections) make and vary such regulations as it may think fit with respect to the keeping of any such register.
105. The Directors may enter into contracts or arrangements on behalf of the Company subject to the necessary disclosures required by the provisions of Section 184 of the Act being made wherever any Director is in any way, whether directly or indirectly concerned or interested in the contract or arrangements.

BORROWING POWER

106. Subject to the provisions of Sections 73, 76, 179, and 180 of the Act, and the Regulations thereunder and Directions issued by the RBI, Directors may exercise all the powers of the company to borrow money and to mortgage or charge its undertaking, property (both present and future), or any part thereof and to issue debentures, debenture stock and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.
107. The payment or repayment of moneys borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit subject to the provisions of Section 73 & 76 of the Act and rules framed thereunder.
108. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

PROCEEDINGS OF THE BOARD

109. Subject to Section 174 of the Act, the quorum for a meeting of the Board shall be one third of its total strength (any fraction contained in that one third being rounded off as one) or two Directors, whichever is higher; provided that where at any time the number of interested Directors exceeds or is equal to two thirds of the total strength, the number of the remaining Directors, that is to say, the number of directors, who are not interested, present at the meeting, being not less than two, shall be the quorum during such time.
110. The participation of the Directors by video conferencing or by other audio visual means shall also be counted for the purposes of quorum under clause 111 of the Articles.
111. If a meeting of the Board could not be held for want of quorum, whatever number of Directors not being less than two, shall be present at the adjourned meeting, notice where of shall be given to all the Directors, shall form a quorum.
112. (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of vote.
- (ii) In case of an equality of votes, the Chairman of the meeting shall have a second or casting vote.
113. The continuing Directors may act notwithstanding any vacancy in the Board, but if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing Directors or Director may act for the purpose of increasing the number of Directors to that fixed for the quorum, or for summoning a General meeting of the Company, but for no other purpose.
114. (a) The Board may elect one of its members as Chairman of its meetings and determine the period for which he is to hold office as such.
- (b) If no such Chairman is elected or if at any meeting the Chairman is not present within fifteen minutes after the time appointed for holding the meeting, the Directors present may choose one of their members to be Chairman of the meeting.
115. Subject to the restrictions contained in Section 179 & 180 of the Act, the Board may delegate any of its powers to committees of the Board consisting of such member or members of its body as it think fit and it may, from time to time, revoke such delegation and discharge any such committee of the Board either wholly or in part, and either as to persons or purposes, but every committee of the Board so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such committee of the Board in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.
116. The meetings and proceedings of any such committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto and

are not superseded by any regulations made by the Directors under the last proceeding Article.

117. (a) A committee may elect a chairman of its meetings.
- (b) If no such chairman is elected or if at any meeting the chairman is not present within five minutes of the time appointed for holding the meeting, the members present may choose one of their members to be chairman of the meeting.
118. (a) A committee may meet and adjourn as it think proper.
- (b) 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 chairman shall have a second or casting vote.
119. All acts done by any meeting of the Board or by a committee thereof by any person acting as a Director shall, notwithstanding that it shall afterwards be discovered that there was some defect in the appointment or continuance in office of any such Directors or persons acting as aforesaid: or that they or any of them were disqualified or had vacated office or were not entitled to act as such or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, had duly continued in office was qualified, had continued to be a Director his appointment had not been terminated and he had been entitled to be a Director provided that nothing in this Article shall be deemed to give validity to any act done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.
120. Subject to Section 175 of the Act and except a resolution which the Act requires specifically to be passed in any board meeting, a resolution in writing, signed by the majority members of the Board or of a committee thereof; for the time being entitled to receive notice of a meeting of the Board or committee, shall be as valid and effectual as if it had been passed at a meeting of the Board or committee, duly convened and held.

MANAGING DIRECTOR(S) AND WHOLE TIME DIRECTOR(S)

121. Subject to provisions of Section 196 & 197 of the Act, the Board may, from time to time, appoint one or more of their body to the office of Managing Directors or whole time Directors for a period not exceeding 5 (five) years at a time and on such terms and conditions as the Board may think fit and subject to the terms of any agreement entered into with him, may revoke such appointment, and in making such appointments the Board shall ensure compliance with the requirements of the Act and shall seek and obtain such approvals as are prescribed by the Act, provided that a Director so appointed, shall not be whilst holding such office, be subject to retirement by rotation but his appointment shall automatically be determined if he ceases to be a Director.
122. The Board may entrust and confer upon Managing Director/s or whole time Director/s any of the powers of management which would not otherwise be exercisable by him upon

such terms and conditions and with such restrictions as the Board may think fit, subject always to the superintendence, control and direction of the Board and the Board may, from time to time evoke, withdraw, alter or vary all or any of such powers.

123. Subject to Section 203 of the Act, a Secretary of the Company may be appointed by the Board on such terms, at such remuneration and upon such conditions as it may think fit, and any Secretary so appointed may be removed by the Board.

THE SEAL

124. (a) The Board shall provide a common seal for the purposes of the Company and shall have power, from time to time, to vary or cancel the same and substitute a new seal in lieu thereof. The Board shall provide for the safe custody of the seal for the time being.

(b) Subject to any statutory requirements as to Share Certificates or otherwise, the seal of the company shall not be affixed to any Instrument except by the authority of a resolution of the Board or of a committee of the Board authorized 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 of the company is so affixed in their presence.

DIVIDENDS AND RESERVES

125. The Company in General meeting may declare dividends but no dividend shall exceed the amount recommended by the Board.

126. Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.

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

(b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

128. (a) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if

- and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.
- (b) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.
- (c) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.
129. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.
130. (a) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.
- (b) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
131. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.
132. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.
133. No dividend shall bear interest against the Company, irrespective of the reason for which it has remained unpaid.

ACCOUNTS

134. (a) The Board shall cause proper books of accounts to be maintained under Sections 128 & 129 of the Act.
- (b) 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 or them, shall be open to the inspection of members not being Directors.
- (c) 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 law or authorized by the Board or by the company in general meeting.

BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

135. Balance Sheet and Profit and Loss Account of the Company will be audited once in a year by a qualified auditor for correctness as per provision of the Act.

AUDIT

136. (a) The first Auditor of the Company shall be appointed by the Board within 30 days from the date of registration of the Company and the Auditors so appointed shall hold office until the conclusion of the first Annual General Meeting.
- (b) The auditor shall be hold office from the conclusion of First Annual General Meeting till conclusion of Sixth Annual General Meeting
- (c) The remuneration of the Auditor shall be fixed by the Company in the Annual General Meeting or in such manner as the Company in the Annual General Meeting may determine. In case of an Auditor appointed by the Board his remuneration shall be fixed by the Board.
- (d) The Board may fill any casual vacancy in the office of the auditor and where any such vacancy continues, the remaining auditor, if any may act, but where such vacancy is caused by the resignation of the auditors and vacancy shall be filled by the Company in General Meeting.
- up

CAPITALIZATION OF PROFITS

137. (a) The company in General Meeting may, upon the recommendation of the Board resolve:
- (i) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the Profit and Loss Account, or otherwise available for distribution; and
- (ii) that such sum be accordingly set free for distribution in the manner specified in clause (2) among 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 the provisions contained in clause (3), either in or towards:
- (i) paying up any amounts for the time being unpaid on any shares held by such members respectively;
- (ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or

- (iii) Partly in the way specified in sub-clause (i) and partly in that is specified in sub-clause (ii).
 - (c) Any share/securities premium account and any capital redemption reserve fund may, for the purpose of this regulation, only be applied in the paying up of unissued share to be issued to members of the Company as fully paid bonus shares.
 - (d) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.
138. (a) Whenever such as resolution as aforesaid shall have been passed, the Board shall:
- (i) Make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares, if any; and
 - (ii) Do all acts and things required to give effect thereto.
- (b) The Board shall have full power:
- (i) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit in the case of shares becoming distributable in fractions; and also
 - (ii) to authorize any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalization, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalized, of the amount or any part of the amounts remaining unpaid on their existing shares;
 - (c) Any agreement made under such authority shall be effective and binding on all such members.

SECRECY

139. Subject to the provisions of law of land and the act, every manager, auditor trustee, member of a committee, officer servant, agent accountant or other persons employed in the business of the company shall, if so required by the Board before entering upon his duties, sign, declaration, pledging himself to observe strict secrecy respecting all transactions of the Company with its customers and the state of account with individuals and in matters relating thereto and shall by such declaration pledge himself, not to reveal any of the matters which may come to his knowledge in the discharge of his duties except

when required to do so by the directors or by any court of law and except so far as may be necessary in order to comply with any of the provisions in these presents.

WINDING UP

140. Subject to the provisions of Chapter XX of the Act and rules made thereunder:
- (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.

INDEMNITY

141. Subject to the provisions of Act, every Director, Manager, Auditor, Secretary and other officers or servants of the Company shall be indemnified, out of the assets of the Company against any bona fide liability incurred by him in defending any bona fide proceedings, whether civil or criminal, in which judgment 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.
- 141A. The Sponsors hereby irrevocably appoint Mr. Hari Om Rai as their agent and/or to serve as their representative in respect of the Investor for and giving or receiving notices and communications, as the case may be, for any purpose under these Articles. It is clarified that:
- (i) service of any notice or communication by the Investor or its Affiliates made to Mr. Hari Om Rai pursuant to these Articles, shall be deemed to be service to all the Sponsors, and/or their respective Affiliates and no Sponsor shall be entitled to relinquish compliance with any of their respective obligations under these Articles owing to a non-service of any notice or communication as required under these Articles;
 - (ii) any notices or communications given or received by Mr. Hari Om Rai shall be binding on the Sponsors and the Investor shall be entitled to rely upon any such notices or communication as being binding on such Party without further investigation or enquiry.

PART II – SPECIFIED ARTICLES

The provisions of Part II of these Articles shall automatically fall away on completion of the IPO without any further acts on part of the Shareholders.

A. SPECIFIED RIGHTS OF BCCL

142. The Company may issue CCPS to BCCL on following terms:

142.1 (a) Each CCPS entitles BCCL to subscribe to and be allotted the BCCL Shares, calculated as follows:

$$\text{BCCL Shares} = \text{CCPS Conversion Amount} \div \text{Subscription Price}$$

“Subscription Price” shall be the price per Share equivalent to the Conversion Price. Provided that, if the price Z (defined below), is higher than the Conversion Price, the Subscription Price shall be Z.

$$Z = X/Y, \text{ where}$$

I. In the event of issue of Shares or Share-linked securities to a Financial Investor within a period of 18 (eighteen) months from the Closing Date (as defined in the Agreement) (“**Financial Investment**”), then:

X = pre-money valuation of the Company considered for the purpose of calculating the price per Share at which the first Financial Investment takes place less 10% (ten per cent) thereof;

II. In the event no Financial Investment takes place, then:

X = [(PAT based on the Audited Accounts 2019, as defined in article 6.22 of the Agreement * 10) – Total CCPS Price];

Y = Number of issued and subscribed Shares on a Fully Diluted Basis as on the date of the allotment under the Financial Investment or on June 30, 2019, as the case may be;

Provided that in the event an IPO takes place within 18 (Eighteen) months from the Closing Date (as defined in the Agreement), then irrespective of (I) above, the Subscription Price shall be the average of the lower end and the higher end of the IPO price band in terms of the ICDR Regulations.

(b) BCCL, at its sole discretion, shall be entitled to convert the CCPS as per the procedure laid down in as under:

(i) Within 7 (seven) days of Closing Date (as defined in the Agreement), the Company shall have filed the updated articles of association of the Company (amended in terms of the Agreement), together with all

requisite forms and documents, with the concerned Registrar of Companies and have provided a certified true copy of such forms as evidence of such filing along with the certified true copy of the updated article of association of the Company, to BCCL.

- (ii) Within 30 (Thirty) days of the Closing Date (as defined in the Agreement), the Company shall provide BCCL share certificates representing the Initial Shares (as defined in the Agreement) and CCPS (duly executed) along with the proof that it has filed necessary application with the appropriate authority for the payment of stamp duty on the Initial Shares and CCPS.
- (iii) The Company shall as soon as the process of stamping of the share certificates is completed as per the application filed by the Company in article 4.4.2 of the Agreement, provide to BCCL the abovementioned share certificates (duly stamped and executed).
- (c) BCCL shall be entitled to convert a CCPS for a part or whole of the CCPS Value (as defined in the Agreement). Upon such part exercise by BCCL, the Company shall, simultaneously with the allotment of the relevant number of BCCL Shares to BCCL, issue a fresh share certificate to BCCL evidencing BCCL's right to be allotted Shares for the balance of the CCPS Value.
- (d) Subject to the provisions of the Act and any rules framed there under, the CCPS may be converted at any time post determination of the Subscription Price, at the sole discretion of BCCL but before the expiry of the Conversion Term as specified in the Agreement. Provided that upon the Company proposing to have an IPO of its Shares, BCCL may convert the CCPS at any time after the appointment of a lead manager for such IPO.
- (e) The CCPS shall be transferable subject to the Agreement, the provisions of the Act and any rules framed there under.

142.2 The Subscription Shares shall rank *pari passu* in all respects and identical with the exist Shares, with reference to all rights and benefits, including but not limited to voting rights, dividends, stock splits, bonus and/or rights issuance and so on, as per applicable Laws.

142.3 In the event of a Liquidation Preference Event in the Company, the Liquidation Preference Amount shall be distributed to BCCL in the following manner:

- 142.4 (a) Subject to applicable Laws, (I) in the event of a Liquidation Preference Event under Article (vv)(ii), BCCL shall receive (in preference to all the Promoters and the Investor) the greater of: (i) the Liquidation Preference Amount (in proportion to its shareholding in the Company), or (ii) Total CCPS Price and (II) in the event of a Liquidation Preference Event under Article (vv)(i), BCCL shall receive (in preference to all the Promoters and not the Investor, in which case the Investor

shall have preference over all the shareholders of the Company, including BCCL) the greater of: (i) the Liquidation Preference Amount (in proportion to its shareholding in the Company), or (ii) Total CCPS Price. Provided that in the event any liquidation preference right (in preference to all the Promoters) is granted to any future investor in the Company, BCCL shall also be eligible for the same rights as are granted to such future investor.

(b) On completion of 142.4 (a) above, the remaining Liquidation Preference Amount shall be distributed by the Company as it deems fit.

142.5 In the event of a Fresh Offering (as defined in the Agreement): (i) prior to conversion of all CCPS, whereby the price per Share for such Fresh Offering is lower than the Subscription Price at that point of time, the Subscription Price for the purposes of this Investment Agreement shall be the price per Share at which such Fresh Offering shall have taken place and if such Fresh Offering is made in 2 (two) or more lots/tranches, then the Subscription Price shall be the lowest relevant price per Share at which such Fresh Offering shall have taken place; and (ii) after the conversion of all CCPS, whereby the price per Share for such Fresh Offering is lower than the Subscription Price, then the Company shall issue and the Promoters shall cause the Company to issue and allot such number of Shares forming part of the Fresh Offering to BCCL, in accordance with applicable Laws, for no additional consideration or the minimum additional consideration permitted in accordance with applicable Laws, such that the weighted average price of the Subscription Shares together with the Shares acquired by BCCL at the Fresh Offering shall be equal to the price per Share paid for the Shares issued at the Fresh Offering by another Person. The Company shall obtain and the Promoters shall cause the Company to obtain all approvals, regulatory and otherwise, in this regard. Such allotment of Shares to BCCL shall take place no later than 7 (seven) days from the date of the Fresh Offering. Upon such allotment the Company shall hand over share certificates pertaining to the fresh Shares. All costs incidental to the allotment shall be respectively borne by the Company. It is clarified that the right of BCCL under this Article 6.26 shall be applicable only upon the determination of the Subscription Price as per the provisions of the Investment Agreement.

PROHIBITED CLAUSES AS PER AGREEMENT BETWEEN THE COMPANY AND BCCL

143. In the event any existing or future investor of the Company is offered any price protection rights or any other right of a similar nature in connection with their shareholding in the Company, BCCL shall be entitled to the same rights on the same terms and conditions for the Subscription Shares.

144. The Promoters and the Company agree that the Company shall not be merged with any other company, any division demerged, or in any way restructured, including reduction of capital, without obtaining the prior written consent of BCCL for the scheme of merger, demerger or other restructuring, as the case may be. Provided that this Article shall not be applicable to any restructuring between the Company and its subsidiaries.

145. The Company and the Promoters hereby agree and covenant with BCCL that in the event the Company issues Shares and/ or Share linked securities of the Company, at any point of time, to any entity, engaged directly or indirectly in media business, the price per Share at which such issue is effected shall be at a premium of at least 10% (ten per cent), calculated on a per annum basis, over the Subscription Price, other than in the case of issue to entities under the BCCL Group. Provided that this Article shall not be applicable in case of issuance of shares by the Company through an IPO. Further, notwithstanding anything stated herein, in the event the Promoters Transfer any Shares held by them to any entity, engaged directly or indirectly in the media business, but not including BCCL and its group companies, the price per Share at which such Transfer is effected shall be at a premium of at least 10% (ten per cent), calculated on a per annum basis, over the Subscription Price.
146. The Company hereby covenants that it shall not sell, license, assign or in manner part with all or a part of its rights to any of the brands currently owned by the Company or acquired by the Company in future without providing a prior written intimation to BCCL.
147. The Company hereby covenants that it shall not issue any further Shares in the Company to the Promoters, and/or their affiliates (including Relatives in case of individual Promoters), without obtaining the prior written consent of BCCL.
148. The Company agrees that in the event BCCL intends to Transfer all or part of its shareholding in the Company to a third party ("Third Party Sale"), subject to the terms of the Agreement, BCCL shall have the right to receive and the Company shall be obligated to provide, all such information as BCCL may reasonably require for the purpose of facilitating such Third Party Sale, within 60 (sixty) days from the date BCCL requests the Company for such information, provided it does not affect day to day functioning of the Company.
149. With respect to the CCPS, the Promoters and the Company hereby covenant that:
- (a) Upon conversion of the CCPS, or a part thereof, the Company shall compulsorily issue and allot such number of Shares being subscribed to by BCCL in terms of the Agreement
 - (b) The Company shall ensure and the Promoters shall cause the Company to ensure that the authorized capital of the Company is at all times sufficient for issue of the BCCL Shares, or is increased accordingly to permit issue of the BCCL Shares to BCCL.
 - (c) If the Company, while the CCPS remain in effect, (i) splits or subdivides the outstanding Shares or determine that holders of Shares are entitled to receive additional Shares or other securities or rights convertible into, or entitling the holder thereof to receive directly or indirectly, additional Shares (including any issue of bonus Shares); or (ii) decreases the number of Shares outstanding by a consolidation of the outstanding Shares; BCCL shall be entitled, upon conversion

of the CCPS, to subscribe for the aggregate number and kind of Shares which, if the CCPS had been exercised as on the date of issue of the CCPS, that BCCL would have owned upon such exercise and been entitled to receive by virtue of such issue of additional shares, subdivision or consolidation; and the Subscription Price and the BCCL Shares shall automatically be adjusted immediately after the date on which the Board approves such issue of additional Shares, subdivision or consolidation. Such adjustments shall be made successively and cumulatively whenever any event listed above shall occur.

- (d) In case of any Re-organisation as hereinafter defined, the Company shall, as a condition precedent to such transaction, cause effective provisions to be made so that BCCL shall have the right thereafter, by converting the CCPS, to purchase, in addition to the BCCL Shares on conversion of the CCPS which BCCL was entitled to subscribe immediately prior to the Re-organisation, the kind and amount of Shares and other securities and property receivable upon such Re-organisation by BCCL that might have been received upon conversion of the CCPS immediately prior to such Re-organisation. Any such provision shall include provision for adjustments in respect of such Shares and other securities and property that shall be as nearly equivalent as may be practicable to the adjustments provided for in the CCPS. The foregoing provisions of this Article shall similarly apply to successive Reorganization transactions. For purposes of this Article, "Re-organisation" shall mean capital reorganization or other change of outstanding Shares of the Company or any consolidation, demerger or merger of the Company with or into another corporation or any sale, lease, transfer or conveyance to another corporation of the property and assets of the Company as an entity.
- (e) Upon occurrence of a situation as envisaged in either of Articles 149(c) and 149(d), the Company shall, at its expense, compute such adjustment in accordance with the terms hereof to reflect such adjustment in its registers and prepare and furnish to BCCL a certificate setting forth such adjustment and showing in detail the facts upon which such adjustment is based, no later than 7 (Seven) days from the date of such adjustment. Such certificate shall set forth: (i) such adjustment and readjustment, and (ii) the number of Shares and the amount, if any, of other property that at the time would be received upon conversion of the CCPS.
150. If the Company, after the date hereof, proposes to effect (i) any Reorganisation, as defined in Article 149(d), (ii) a liquidation, dissolution or winding up of the Company, (iii) any proposed issuance or grant of any Shares or any other securities of the Company, or (iv) any proposed issue of additional Shares, or (v) reduction of capital then, in each such case, the Company shall send to BCCL a notice describing such proposed action and the economic terms of such action and, if applicable, specifying the date on which the Company's books shall close, or a record shall be taken, for determining the holders of Shares entitled to participate in such action, or the date on which such Reorganisation,

liquidation, dissolution or winding up shall take place or commence, as the case may be, and the date as of which it is expected that holders of Shares of record shall be entitled to receive securities and/or other property deliverable upon such action, if any such date is to be fixed. Such notice shall be sent to BCCL at least 21 (Twenty One) Business Days prior to the date of the board meeting at which any such proposal is to be considered.

151. For such period as BCCL's stake in the Company is more than 5% (five per cent) of the total paid up capital of the Company on a Fully Diluted Basis, BCCL shall have the right, to appoint an observer on the Board. BCCL may replace its observer on the Board at any point of time and the Promoters shall take all necessary steps to ensure that such replacement(s) is/are appointed as observers on the Board. The observer shall be entitled to: (i) attend all meetings of the Board and the committees of the Board and of the board of directors of the subsidiaries of the Company; (ii) receive the agenda for the meeting of the Board at least 7 (seven) days prior to the date of such meeting; & (iii) receive the certified true copy of the minutes of the meetings of the Board no later than 15 (fifteen) days from the date on which such meeting was held.

EXIT RIGHTS

152. (a) In the event that the IPO of the Company and listing of the Subscription Shares on a recognized stock exchange is not completed for any reason whatsoever within 4 (Four) years from the date of the Agreement, BCCL shall have the right, by written notice signed by BCCL to call upon the Company to buy-back or purchase all of the Shares and CCPS held by BCCL, within 60 (sixty) Business Days of receipt of such notice, at the price per Share being not less than the Sale Price (as defined below), in accordance with applicable Law including inter alia the provisions of the Act and any other rules or guidelines that may be applicable to such repurchase/buyback. In this regard, the Promoters undertake to support the initiatives of the Company for the aforesaid purpose.
- (b) In case the Company is unable to buy back or purchase all of the Shares and CCPS held by BCCL or upon failure of the Company to buy back or purchase all of the Shares and CCPS held by BCCL in the manner specified in Article 152(a) above, BCCL shall have the right, by written notice signed by BCCL, to call upon the Company to appoint a reputed merchant banker at its own cost to identify a third party who is willing to purchase all of the Shares and CCPS held by BCCL within 60 (sixty) Business Days of receipt of such notice, at the price per Share being not less than the Sale Price (as defined below). In this regard, the Promoters undertake to support the initiatives of the Company for the aforesaid purpose.
- (c) Upon failure of the Company to buy back or purchase all of the Shares and CCPS held by BCCL in the manner specified in Article 152(a). above and failure of the Company to identify a third party in the manner specified in Article 152(b) above for any reason what so ever, BCCL shall have the right, by written notice signed by BCCL ("Put Option Notice"), to require the Promoters, jointly and severally, to purchase all the Shares and CCPS held by BCCL as indicated by BCCL in the

Put Option Notice, at the price per Share being not less than the Sale Price. The Promoters shall complete the purchase of the Shares and CCPS held by BCCL within 60 (Sixty) Business Days from the date of the Put Option Notice.

For the purposes of this Article, the “Sale Price” shall mean an amount equal to the Subscription Price and a return of 9% (nine per cent) per annum on the Subscription Price compounded annually on the basis of a 365-day year, net of any dividend per Share paid by the Company from the Closing Date (as defined in the Agreement) till the date of purchase of all the Subscription Shares and the CCPS in accordance with Articles 152(a) to 152(b) hereof.

- (d) In the event, the Promoters fail to complete the purchase of the Shares and CCPS held by BCCL within 60 (sixty) Business Days from the date of the Put Option Notice, then in addition to other rights available under law, BCCL shall be entitled, at any time thereafter, to exercise its rights in terms of Articles 152(e) and 152(f) below.
- (e) If a bona fide third party (“Third Party Buyer”) makes an offer to purchase Shares held by BCCL, greater than the number of Shares and CCPS held by BCCL and such offer is accepted by BCCL, then BCCL shall be entitled to require the Promoters to sell any or all of Shares held by them in the Company (“**Drag Along Shares**”), subject to a maximum of 25% (Twenty Five per cent) of the issued and subscribed Shares on a Fully Diluted Basis. BCCL shall ensure that the Third Party Buyer buys Drag Along Shares on identical terms and for the same price per Share. Notwithstanding anything contained in the Agreement, the Third Party Buyer shall not be a Competitor of the Company.

Provided that any exercise of the right of drag along by BCCL under this Article, requiring the sale of Shares held by Promoters amounting to 10% (Ten percent) or more of the issued and subscribed share capital of the Company, on a Fully Diluted Basis, shall require the Promoters to obtain the prior written consent of the Investor (“**Drag Consent**”). The Investor shall either: (i) provide the Drag Consent; or (ii) decline by a written notice, to provide such consent as required for BCCL to drag the Promoters as above (“**Refusal Letter**”), within 15 (Fifteen) days from the date of receipt of the notice sent by BCCL in terms of Article 152 (f) below. In the event the Investor issues a Refusal Letter within the time period as prescribed above, then BCCL shall be permitted to require the Promoters to sell up to 10% (Ten percent) of the issued and subscribed share capital of the Company, on a Fully Diluted Basis. Provided further that, in the event the Investor fails to provide the Drag Consent or the Refusal Letter within the time period as prescribed above, the Investor shall be deemed to have provided its consent as required in terms of this Article 152 (e).

- (f) If BCCL chooses to exercise its rights under Article 152(e), it shall provide notice of the proposed sale and the exercise of its rights under Article 152(e) to the Promoter(s) and to the Investor, for the purposes of receiving from the

Investor either the Drag Consent or the Refusal Letter, no later than 30 (thirty) Business Days prior to the closing of the proposed sale of BCCL's Shares and CCPS to the Third Party Buyer. The closing of any purchase of BCCL's Shares and CCPS by the Third Party Buyer from BCCL shall take place simultaneously with the closing of the purchase of Shares of the Promoters. Such Drag along Shares shall be free and clear of any Lien, and the Promoters shall so represent and warrant, and shall further represent and warrant that they are the beneficial and legal owners of such Drag along Shares.

153. The Promoters shall not, in the event aggregate shareholding of the Promoters and their family trusts wherein the Promoters and/or their Relatives are the main beneficiaries falls below 51% (fifty one per cent) of the paid up capital of the Company on a Fully Diluted Basis, transfer any part of their shareholding in the Company without the prior written consent of BCCL. Further, the Promoters shall make available to BCCL, details, including as to price, of all sales carried out in terms of Article 154 below, no later than 30 (thirty) days from the date of entering into an agreement for such sale. Provided that this Article shall not be applicable to Transfer of Shares inter-se Promoters or their Relatives or aforesaid family trusts

Tag Along Right

154. Notwithstanding anything to the contrary in the Agreement subject however to Article 153 above, the Parties hereby agree that in the event the Promoters, or any of them, as the case may be, by themselves or through their affiliates, intends to Transfer all or part of their shareholding in the Company to a third party who is not an affiliate of the Promoters (the "Third Party Offer or"), the Promoters shall provide notice of such proposed sale to BCCL no later than 30 (thirty) days prior to the proposed closing of such sale. The Promoters, or any of them as the case may be, shall not be permitted to carry out the sale unless simultaneously with the sale the Third Party Offer or makes an offer in writing to BCCL to purchase a pro-rata portion (i.e. a ratio of Shares of the Promoters proposed to be transferred to the Shares held by the Promoters at the time of the sale or disposal, as the case may be) of the Shares held by BCCL in the Company at such time, on the same terms and conditions as the Third Party Offeror's proposed acquisition of Shares from the Promoters, or any of them, as the case may be, including as to price (the "Tag-Along Offer"). The Third Party Offeror's Tag-Along Offer shall remain open for acceptance for not less than 30 (thirty) days following delivery to BCCL of the offer of the Third Party Offeror. Provided that in the event that any such sale or disposal by the Promoters results in the Promoters' shareholding falling below 51% (fifty one per cent) of issued and subscribed equity share capital of the Company (whether in a single transaction or a series of transaction related or otherwise), the Promoters shall not be permitted to carry out such sale or otherwise dispose of the Shares held by the Promoters, unless prior to such sale, the Third Party Offeror makes an offer in writing to BCCL to purchase all the Shares held by BCCL in the Company at such time, on the same terms and conditions as the Third Party Offeror's proposed acquisition of Shares from the Promoters, including as to price. Provided further that BCCL shall not be required to provide any representations

and warranties other than on ownership of its Shares and shall be entitled to receive the cash equivalent of any non-cash consideration in such sale.

155. (a) If the Third Party Offeror refuses to purchase Shares and CCPS from BCCL and BCCL notified the Promoters in writing within 30 (thirty) days following receipt by BCCL of the Promoters' notice that it desires to sell its Shares and CCPS to the Third Party Offeror, the Promoters shall reduce the number of Shares proposed to be sold to the Third Party Offeror and BCCL shall sell to the Third Party Offeror, and Promoters shall ensure that the Third Party Offeror shall buy, a pro rata portion or all of the Shares and CCPS held by BCCL at that time, as the case may be, on the same terms and conditions, including as to price, as described in Article 155. It is clarified that the Promoters will not be permitted to sell any Shares to the Third Party Offeror, unless and until the Third Party Offeror has acquired all the Shares and CCPS offered by BCCL on the terms and conditions, including as to price, as described in Article 155.

Right of First Refusal

156. BCCL covenants that the Subscription Shares and the CCPS held by it shall be subject to a lock-in in the event of an IPO for such period as may be determined under applicable Laws at the time of IPO, subject to the ICDR Regulations. Subject to the aforesaid lock-in restriction in respect of the Subscription Shares and the CCPS, BCCL shall have the right to sell the Subscription Shares or a part thereof and the CCPS or a part thereof by way of a negotiated deal to any third party, not being a Competitor, in the manner provided in this Article and shall be entitled to share such information with respect to the performance of the Company with such third party.
157. (a) Before the completion of the IPO, if BCCL desires to Transfer the Subscription Shares or a part thereof or CCPS or a part thereof ("BCCL Securities") by way of a negotiated deal, BCCL shall first give a written notice (the "Transfer Notice") to the Company and the Promoters, stating BCCL's intention to Transfer the BCCL Securities, the number of the BCCL Securities proposed to be transferred, the identity and details of the proposed buyer and the price and the other terms and conditions at which BCCL proposes to Transfer the BCCL Securities.
- (b) Upon receipt of the notice, the Promoters shall have the right to buy all the BCCL Securities offered by BCCL, by them or by a person/entity nominated by the Promoters, at the price and on the same terms and conditions as specified in the Transfer Notice. Such a right shall be exercisable by a written notice from the Promoters to BCCL, within 60 (sixty) days from the date of receipt of the Transfer Notice sent by BCCL. In the event that the Promoters or any person/entity nominated by the Promoters does not buy the BCCL Securities specified in the Transfer Notice, then BCCL shall have the right to sell the BCCL Securities to the said proposed buyer on terms not more favourable than those specified in the Transfer Notice within 120 (one hundred and twenty) days from the date of the Transfer Notice sent by BCCL. In the event that BCCL is unable to sell the

- BCCL Securities specified in the Transfer Notice to the said proposed buyer within the specific time period indicated above, the provisions of the Article 157 shall once again apply to any proposed sale of the BCCL Securities by BCCL.
- (c) If the Promoters, by themselves or through an entity nominated by them, fails to purchase the BCCL Securities within 60 (sixty) days from the date of the notice by which the Promoters exercised their right to buy the BCCL Securities, in addition to all other remedies available in law to BCCL, the Right of First Refusal shall stand extinguished in respect of all Transfers (including any future Transfers) by BCCL.
- (d) After the occurrence of the IPO, BCCL shall have the right to Transfer, the BCCL Securities, or a part thereof, in any manner and to any Person that it deems fit free from all restrictions subject to ICDR Regulations.
- (e) Notwithstanding anything contained in the “Agreement”, Right of first refusal shall cease to have any effect if the Promoters are in breach of their obligation under 153 to 158 to provide an exit to BCCL within the prescribed period.
- (f) Any amendment to the Articles which in any manner affects the rights and obligations of BCCL shall require the affirmative vote of BCCL
- (g) The provisions of Articles 32(a) and 33(b) to the extent it reads as “and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer” of the Articles of Association of the Company shall not be applicable to the Subscription Shares.”

B. SPECIFIC RIGHTS OF THE INVESTOR

Terms and Conditions of Preference Shares

158. Dividend Preference

- (a) The Preference Shares shall collectively be entitled to dividend, being calculated on and from the date of issue thereof till the Conversion Date (as defined below). The dividend each Preference Share is entitled to will be an amount equal to the aggregate of:
- (i) [0.0001% (point zero zero zero one per cent) of the aggregate face value of the Preference Shares in each Financial Year (reduced on a pro rata basis for periods less than a full financial year);] and
 - (ii) on a participating basis, for all dividends, if declared on Equity Shares or the Equity Securities of the Company, assuming conversion of the Preference Shares in its entirety,

provided however that the aggregate of (i) and (ii) shall not exceed the State Bank of India's prime lending rate, plus 300 basis points.

Such dividend, if declared shall be paid for each Financial Year within a period of 30 (thirty) days from the date the Board approves the accounts of the Company for that Financial Year.

159. Liquidation Preference

- (a) Notwithstanding anything contained in these Articles (including without limitation, Article 142.3 and Article 142.4, till the time the Investor holds the Preference Shares and in the event there occurs a Winding Up, then, from the total proceeds from such Winding Up remaining after discharging, or making provision for discharging, the outstanding statutory liabilities of the Company and Company's debt obligations and other payments in accordance with applicable Law, the Investor shall receive in priority to all other holders of Equity Securities, the higher of:
- (i) the Investment Amount plus any accrued but unpaid dividends, if any, on such Preference Shares, plus 10% IRR of the Investment Amount calculated per annum till the date of Winding Up; or
 - (ii) the Investor's Pro Rata Share of all the assets and funds of the Company legally available for distribution to the Shareholders upon such Winding Up.
- (b) In the event the amount, if any, received by the Investor upon Winding Up is less than the amounts it is entitled to receive pursuant to (i) above, to the extent necessary to accomplish the preferences set forth in Article 159(a)(i), each Shareholder (except the Investor) waives its respective rights and entitlements to its share in any payment pursuant to a Winding Up and to the extent such payments are made to, or received by, any Shareholder, such Shareholder shall jointly and severally hold the payments received by it in trust for the Investor.

- (c) Notwithstanding anything to the contrary, if the Investor receives an amount less than that contemplated in (i) above upon Winding up, the Sponsors shall be jointly and severally liable to the Investor and shall be required to pay the shortfall amount to the Investor.
- (d) Holders of Preference Shares shall receive proceeds pursuant to this Article in priority to holders of any other Equity Securities, including the Equity Securities held by BCCL (whether in existence now or subject to Article 165(a) in future).

160. Conversion

(a) Optional Conversion

Subject to Article 7A, the Preference Shares may be converted into the Conversion Shares at any time at the discretion of the Investor.

(b) Mandatory Conversion

If any of the Preference Shares have not been converted to Equity Shares within (i) 19 (nineteen) years and 11 (eleven) months from the Funding Date; or (ii) the last date on which applicable Law requires conversion of the Preference Shares in connection with an IPO (such date, the “**Mandatory Conversion Date**”), such remaining Preference Shares shall be automatically and compulsorily converted into Equity Shares as of the Mandatory Conversion Date into the Conversion Shares.

(c) Conversion Entitlement

The Preference Shares shall at all times be Converted into such number of Equity Shares as represent the Conversion Shares.

The issuance of Equity Shares in accordance with the foregoing provision is referred to as “**Conversion**”.

(d) Adjustment to Conversion Shares Based on Other Events

- (i) New Issuances (prior to full conversion of Preference Shares). If, prior to or in an IPO, the Company issues or proposes to issue Equity Securities for a consideration that attributes to the Company a post money valuation lower than as agreed upon by the Company, the Sponsors and the Investors (which consideration for the avoidance of doubt includes any initial consideration payable in respect of such instruments and any additional consideration payable upon the conversion or exchange of such instrument into, or for, Equity Shares) (referred to as a “**Down-Round**”), the number of Conversion Shares shall be increased to such number as the Investor would receive upon dividing the Preference Subscription Amount by the price per Equity Share attributable to the Down Round. If the Company is unable to give full effect to such adjustment in favour of the Investor (i.e. an increase in the number of Conversion Shares to be issued to the Investor on account of the Down Round), any IPO of the Company shall then be subject to the prior written consent of the Investor, which consent

right shall be without prejudice to the other rights and remedies of the Investor under these Articles including under Article 162.

- (ii) Corporate Action Adjustment. To the extent permitted under Applicable Law, if, on or prior to any Conversion Date, there is a Corporate Action Event, the number of Conversion Shares shall be adjusted (if required) such that there is no dilution in the Investor's shareholding percentage in the Company on account of such Corporate Action Event.

(e) **Mechanics of Conversion**

- (i) Conversion Notice: The Investor shall, at its sole option, issue a written notice to the Company (the "**Conversion Notice**"), to convert the Preference Shares and shall specify therein, the number of Preference Shares being offered for conversion. Upon receipt of the Conversion Notice, the Company shall (and the Sponsors shall procure that the Company shall) take all necessary actions (including obtaining all required authorisations) to promptly issue the Conversion Shares to the Investor. The date of delivery of the Conversion Notice to the Company is referred to as the "**Conversion Date**".

- (ii) Issue of Conversion Shares: As soon as practicable after the Conversion Date, and in any event within 5 (five) days thereafter, the Company at its expense will cause to be issued in the name of, and delivered to, the Investor, or, subject to the terms and conditions hereof, deliver to such other Persons as the Investor may designate, a certificate or certificates for the number of Conversion Shares to which the Investor shall be entitled upon such exercise (alternatively, if any shares are in book entry (dematerialized form), the Company shall provide necessary instructions for the dematerialization and credit of the Conversion Shares to the demat account of the Investor within such time period). The Investor shall be deemed to be the holder of the Conversion Shares on the Conversion Date, notwithstanding that the register of members of the Company shall then be closed or that certificates representing such Conversion Shares shall not then be actually delivered to the Investor/ its nominee.

- (iii) Stamp Taxes: The Company shall pay any and all documentary stamp or similar issue taxes payable in respect of the issue of the Conversion Shares.

- (iv) Conversion Lots: Unless all the Preference Shares then held by the Investor are offered for conversion is less than lots of 100, the Company shall convert the Preference Shares in lots of 100 Preference Shares.

(e) **Reservation of Equity Securities Issuable Upon Conversion**

As and when required (or at any time at the Investor's request), the Company shall (and the Sponsors shall procure that the Company shall) undertake, solely for the purpose of effecting the conversion of the Preference Shares, to (i) ensure the availability of sufficient funds in the securities premium account of the

Company; and (ii) increase or make available out of its authorized but unissued Equity Shares such number of Equity Shares as shall from time to time be sufficient to effect the conversion of all Preference Shares. If the funds in the securities premium account of the Company or the authorized but unissued Equity Shares are not sufficient to effect the conversion of all the Preference Shares, the Company shall (and the Sponsors shall procure that the Company shall) take, subject to the provisions of these Article, all such actions, including corporate actions, as may be necessary to increase its authorized but unissued Equity Shares to such number of Equity Securities as shall be sufficient for such purposes, including, without limitation, engaging in best efforts to obtain the requisite shareholders' approval of any necessary amendment to the memorandum and articles of association of the Company.

(f) Except as may be mutually agreed between the Parties, if a Shareholder (other than the Investor) is entitled under any contract, requirement of applicable Law or otherwise to participate in relation to any issue of Equity Shares to the Investor upon Conversion, then such Shareholder hereby waives all such rights and, to the extent it cannot waive such rights, it agrees not to exercise them.

(g) **All Required Actions**

(i) In the event that applicable Law prevents the Investor from receiving all Conversion Shares to which it is entitled, the Sponsors and the Company shall (and the Sponsors shall procure that the Company shall) provide all necessary assistance, co-operation and support to the Investor to identify and implement alternative arrangements such that the Investor is able to achieve the shareholding in the Company that it would have achieved, and the economic benefits it would have received, had it received all Conversion Shares it is entitled.

(ii) For the avoidance of doubt, it is clarified that all required actions to give effect to Article 160(g)(i) shall be consummated as simultaneously as practicable and the Parties will use their best efforts to place appropriate protection mechanisms in place (including but not limited to an escrow, if required and the issue/ sale of Equity Securities to the Investor at the lowest permissible price under applicable Law ("**Lowest Permissible Price**") and implement all required actions such that Investor is able to achieve the shareholding in the Company that it would have achieved, and the economic benefits it would have received, had it received all Conversion Shares it was entitled.

(h) If for any reason any of the provisions set forth herein cannot be given effect to in full as a result of any change in applicable Law (including a change in applicable Law that affects the price at which the Investor may purchase or be issued Equity Shares) then each Shareholder (other than the Investor) and the Company shall use its respective best efforts to take all such actions (by corporate, director or shareholder action) as may be necessary to provide to the Investor the same economic benefits as are contemplated herein.

(i) Subject to the terms of these Articles, the Preference Shares shall be transferable by the Investor in accordance with and subject to the terms and conditions of these Articles.

- (j) With respect to liquidation preference in a Winding Up of the Company, the Preference Shares shall rank senior to all Equity Securities issued by the Company, including the Equity Securities held by BCCL, existing and future (subject to Article 165).
- (k) For avoidance of doubt, the terms of the Preference Shares shall not be limited to the aspects set out in this Schedule and shall consist of such other terms as may be provided elsewhere in these Articles.

Initial Public Offering

162. (a) Initial Public Offering

(i) IPO Period

The Company shall and the Sponsors shall procure that the Company shall complete an IPO within 12 (twelve) months from the Funding Date (“**Target Period**”) in accordance with the principles set forth in this Article 162(a). It is clarified that in the event the IPO is undertaken at a valuation of less than as agreed upon by the Company, the Sponsors and the Investors, then, unless Article 164 and conversion terms of the Preference Shares under these Articles are given full effect to, such an IPO shall be undertaken only with the prior written consent of the Investor. Provided that, such absence of consent from the Investor shall not prejudice the rights or remedies of the Investor in any manner whatsoever.

(ii) Investor’s right to participate in an IPO

The Investor shall, subject to applicable Law, have the right (but not the obligation) to sell, at its sole discretion, up to all of the Equity Shares held by it (including the Preference Shares, upon conversion) as a part of the IPO on the same terms and conditions as the other Equity Shares offered to the public by the Company.

(iii) Investor not a promoter

(A) The Shareholders acknowledge that the Investor is merely a minority financial investor and it is not the intent of the Shareholders that the Investor acquires control and/or management of the Company. It is the intention of the Shareholders that the Sponsors currently are and shall continue to remain in control of the Company and shall continue to manage the Company.

(B) The Company and the Sponsors agree that under no circumstances shall the Investor be referred to or otherwise be considered as a ‘promoter’ of the Company in connection with any IPO or any documents filed in connection therewith. In the event of an IPO, the Company and the Sponsors agree to do all

that is necessary, subject to applicable Law, to ensure that the Investor is not classified as ‘promoter’ of the Company and the Equity Securities held by the Investor are not subject to any lock-in requirements as a ‘promoter’. In the event that any Equity Securities of the Company are subject to a lock-in due to being a part of the ‘promoter’ shareholding, then such lock-in shall, subject to applicable Law, be applicable in relation to the Equity Securities held by the Sponsors and not to the Equity Securities held by the Investor.

Pre-Emptive Rights of the Investor

163. (a) The Company shall not, at any time prior to an IPO, issue any Equity Securities to any Person (“**Proposed Recipient**”) unless the Company has offered the Investor in accordance with the provisions of this Article its Pro Rata Share of such issuance on the same terms and conditions as are offered to the Proposed Recipient; provided, however, that the foregoing restriction shall not apply to any issuance of Equity Securities: (I) to the Investor pursuant to these Articles or pursuant to the exercise of the Conversion option attached to any of the Preference Shares, or (II) in connection with an IPO.

(b) Notice

Not less than 45 (forty five) days before a proposed issuance of Equity Securities by the Company other than in connection with an issuance permitted under Article 163 (a) and (b) (“**Proposed Issuance**”), the Company shall deliver to the Investor written notice of the Proposed Issuance setting forth *inter alia*: (i) the number, type and terms of the Equity Securities to be issued, (ii) the consideration to be received by the Company in connection with the Proposed Issuance, (iii) the identity of the Proposed Recipients; and (iv) Pro Rata Share of the Investor.

(c) Exercise of Rights

Within 15 (fifteen) days following delivery of the notice referred to in Article 163(b), the Investor shall be required to give written notice to the Company specifying its acceptance of the Pro Rata Share. Except as provided in the next succeeding sentence, failure by the Investor to give such notice within such 15 (fifteen) days period shall be deemed a waiver by the Investor of its rights under this Article 163 with respect to such Proposed Issuance. If the Investor fails to give the notice required under this Article 163(c) solely because of the Company’s failure to comply with the notice provisions of Article 163(b), then the Company shall not issue Equity Securities pursuant to this Article 163 and if purported to be issued, such issuance of Equity Securities shall be void. The Investor may assign to its Affiliate the right to acquire the Equity Securities pursuant to this Article, provided that such Affiliate complies with the provisions of Article 7A.

(d) Failure to Subscribe

Subject to the Company's compliance with the notice provisions of Article 163(b) and the Investor specifying its acceptance as per Article 163(c), in the event that any Shareholder ("**Non-Subscribing Shareholder**") notifies the Company that it declines to exercise its right to subscribe to its Pro Rata Share of the Proposed Issuance, in part or in whole, is deemed to have waived its right to subscribe to the Proposed Issuance, or fails to settle the payment of the consideration required for the Proposed Issuance within the 15 (fifteen) days (except where such period is extended for an additional period necessary to obtain any Governmental Approvals required for such subscription and payment), the Investor shall be entitled to subscribe to the Pro Rata Share of such Equity Securities not subscribed to by any Non-Subscribing Shareholder, consistent with applicable Law, on the same terms and conditions as the Proposed Issuance and only if the Investor has provided its acceptance notice in accordance with Article 163(c).

(e) Applicability of Pre-Emptive Rights

Notwithstanding anything in this Article 163, the rights of the Investor under this Article 163 shall remain in full force and effect until the date of completion of the IPO.

Anti-Dilution Rights

164. If prior to the IPO or for the purposes of the IPO, the Company proposes to issue any Equity Securities to any Person(s) or undertake any action which results in issuance of Equity Securities at a valuation which is less than as agreed upon the Company, its Sponsors and their Affiliates and the Investor (each a "**Dilutive Event**"), for so long as the Investor holds the Preference Shares, the Investor shall, receive additional Conversion Shares. In the event the Investor does not hold any Preference Shares or if additional Conversion Shares cannot be issued to the Investor, (i) the Investor shall be entitled to receive additional Equity Securities from the Company, at nil consideration or the lowest price per Equity Security permissible under Law such that the original subscription price of the Investor Securities is reduced to the price at which Equity Securities are proposed to be issued pursuant to the Dilutive Event; and (ii) the Company shall, and the Sponsors shall cause the Company to, cooperate with the Investor, including with respect to the manner in which such additional issuance of Equity Securities to the Investor may be structured, and ensure that all necessary steps undertaken to issue such additional number of Equity Securities. For the avoidance of doubt, any issuance of Equity Securities shall be subject to the provisions of this Article 164 till the time of the IPO.

Most Favourable Rights

165. (a) The Company and the Sponsors shall not provide any Person with any rights in relation to the Company or its Equity Securities, which are more favourable than those provided to the Investor under these Articles; or issue any new Equity Securities, to any Person, on terms (including price) more favourable than those provided to the Investor, except: (a) with the Investor's written consent or as provided in these Articles; or (b) in the event a Shareholder or a third party makes an investment in the Company: (X) at a pre money valuation that is higher than as agreed upon by the Company, the Sponsors and the Investors; and (Y) subscribes to 6% (six per cent) as calculated on the date thereof, in a single tranche.
- (b) Notwithstanding anything contained under these Articles, but subject to applicable Law and Article 165(a), in the event that any favourable rights or more favourable terms are granted and /or have already been granted by the Company to any Person, which rights or terms are not available to the Investor, (i) such rights or terms shall automatically stand suspended, and the Company and the Sponsors shall take all necessary steps to ensure that such rights are eventually terminated; or (ii) if the Company and/or the Sponsors fail to ensure that such rights are suspended, such rights shall *ipso facto* be deemed to be available to / will be granted to the Investor in priority to such Person, and the Parties shall take all such necessary steps in order to ensure satisfactory exercise of such rights by the Investor, including amending these Article to give effect to such modification of rights of the Investor.
- (c) For the avoidance of doubt, subject to Article 165(a), no rights that may be granted by the Company or the Sponsors to any other Person shall in any manner impede or restrict the rights of the Investor under these Article to the fullest extent possible.

Corporate Governance

166. Affirmative Voting Matters

Until the date of completion of the IPO, the Sponsors agree that neither the Company nor any Shareholder, director, officer, committee, committee member, employee, agent or any of their respective delegates shall, without the affirmative written consent or approval the Investor take or permit the Company to take any of the actions set out below whether by circular resolution, a resolution of the Board (or any committee thereof) or of the Shareholders:

- (a) Declaration or payment of dividends or other distributions on any class of securities of the Company.
- (b) Other than transactions on arms' length basis and subject to disclosure in writing to the Investor in advance, all transactions with Affiliates or Related Parties of the Sponsors and/or the Company, agreements or arrangements between the Company and the Sponsors, their associates or Affiliates.

- (c) Any buy-back of securities of the Company other than as agreed upon between the Company, its Sponsors and their Affiliates and the Investor.
- (d) Any capital reduction of the Company.
- (e) Entering into any transaction or series of transactions which results in the debt:equity ratio of the Company exceeding 2:1.

Related Party Transactions

167. Till completion of the IPO, the Company shall ensure, and the Sponsors shall ensure that, the Company discloses all transactions proposed with Affiliates or Related Parties of the Sponsors or the Company, agreements or arrangements between the Company and the Sponsors, their associates or Affiliates sufficiently in advance.

Reports

168. Until the date of completion of the IPO, the Company shall provide to the Investor:
- (a) within 20 (twenty) days after the end of each month, monthly sales and revenue figures, statements of changes in shareholders' equity;
 - (b) within 45 (forty-five) days after the end of each quarter, unaudited management accounts, statements of changes in shareholders' equity;
 - (c) within 120 (one hundred and twenty) days after the end of each fiscal year, audited Accounts;
 - (d) within 20 (twenty) days of their occurrence, final minutes of Board, committees and Shareholders' meetings of the Company; and
 - (e) immediately upon becoming aware of such details, details of Material Adverse Effect on the business, operations, condition (financial or otherwise), prospects, results of operations, properties, assets or liabilities of Company.
169. The Company shall ensure, and the Sponsors shall ensure that, the Company has sufficient authorized share capital for the conversion of the Preference Shares in accordance with their terms.

Dispute Resolution

170. (a) Arbitration
- Any dispute arising out of or in connection with these Articles involving the Investor, including any question regarding its existence, validity or termination or the performance or breach thereof, shall be referred to and finally resolved by arbitration administered by the Singapore International Arbitration Centre ("SIAC") in accordance with the Arbitration Rules of the Singapore International Arbitration Centre for the time being in force ("SIAC Rules"), and the SIAC Rules are deemed to be incorporated in these Articles. The seat and venue of the

arbitration shall be Singapore. The tribunal shall consist of 3 (three) arbitrators (“**Arbitration Board**”). Within 21 (twenty one) days after the claimant has served a Dispute Notice, the claimant and the respondent shall appoint 1 (one) arbitrator, and the third arbitrator, who shall act as chairman of the Arbitration Board shall be nominated by the 2 (two) arbitrators appointed by or on behalf of the respective parties to the dispute, failing which, the third arbitrator shall be appointed in accordance with the SIAC Rules. The language of the arbitration shall be in English. The award rendered by the Arbitration Board shall be final and binding on the parties to the dispute. Nothing shall preclude either party to the dispute from seeking interim equitable or injunctive relief, or both, from any court having jurisdiction to grant the same.

(b) Costs

The costs and expenses of the arbitration, including the fees of the arbitration and the Arbitration Board, shall be borne equally by each party to the dispute or claim and each party to the dispute shall pay its own fees, disbursements and other charges of its counsel, except as may be determined by the Arbitration Board. The Arbitration Board would have the power to award interest on any sum awarded pursuant to the arbitration proceedings and such sum would carry interest, if awarded, until the actual payment of such amounts.

(c) Final and Binding

Any award made by the Arbitration Board shall be final and binding on each of the parties to the dispute.