

# ARTICLES OF ASSOCIATION OF TRANSRAIL LIGHTING LIMITED

(A COMPANY LIMITED BY SHARES)

(INCORPORATED UNDER THE COMPANIES ACT, 1956)

*(As adopted by means of a special resolution passed at the Extraordinary General Meeting of the Company held on 12<sup>th</sup> February, 2024)*

These Articles consist of two chapters, Part A (the “General Articles”) and Part B (the “Special Articles”).

The provisions of the General Articles shall apply to all the matters to which they pertain, to the extent, and only in so far as they are not inconsistent with, the provisions of the Special Articles. Notwithstanding anything to the contrary contained in the General Articles, the Special Articles shall apply in respect of the matters covered thereby. In case of any conflict or inconsistency between the Special Articles on one hand and the General Articles on the other hand, the Special Articles shall prevail and in case of any conflict or inconsistency between the Special Articles on one hand and the Agreement (*defined below*), on the other hand, the Agreement shall prevail, provided that if the Special Articles are inconsistent with the Agreement, then the Special Articles shall be amended to align it with the Agreement.

## APPLICATION OF TABLE ‘F’

The Regulations contained in Table ‘F’ in the First Schedule to the Companies Act, 2013, shall apply to this Company in the same manner as if all such Regulations of Table ‘F’ are specifically contained in these Articles, subject to the modifications herein contained and except in so far as they are expressly or implicitly excluded by the following Articles. The provisions of Table ‘F’ of Schedule 1 to the Companies Act, 2013 shall be applicable to the extent they don’t contradict with these Articles.

## PART A GENERAL ARTICLES

### *Interpretation*

I. (1) In these regulations—

- (a) “the Act” means the Companies Act, 2013,
- (b) “the Company” means “Transrail Lighting Limited”
- (c) “Seal” means the “Common Seal” of the Company.



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For TRANSRAIL LIGHTING LTD.  
*Gaupadhye*  
COMPANY SECRETARY

- (2) Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the company.

### *Share capital and variation of rights*

**II. 1.** The Authorised Share Capital of the Company shall be such amount and of such description as is stated for the time being or at any time, in the Company's Memorandum of Association and the Company shall have power to increase or reduce the Share Capital from time to time in accordance with the regulations for the time being in force in this behalf.

**2. (i)** Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided,-

(a) one certificate for all his shares without payment of any charges; or

(b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.

(ii) Every certificate shall specify the shares to which it relates and the amount paid-up thereon.

(iii) 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.

**3. (i)** If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.

(ii) The provisions of Articles (2) and (3) shall *mutatis mutandis* apply to debentures of the company.

**4.** Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

5 (i) The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent. or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rule made thereunder.

(ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.

(iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

6. (i) 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, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

(ii) To every such separate meeting, the provisions of these regulations relating general meetings shall *mutatis mutandis* apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.

7. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further share ranking *pari passu* therewith.

8. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

### *Lien*

9. (i) The company shall have a first and paramount lien-

(a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and

(b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:

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

(ii) The company's lien, if any, on a share shall extend to all dividend bonuses declared from time to time in respect of such shares.

10. The company may sell, in such manner as the Board thinks fit, any shares 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 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.

11. (i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.

(ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.

(iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

12. (i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.

(ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

#### *Calls on shares*

13. (i) The Board may, from time to time, make calls upon the members in respect of any monies 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

(ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.

(iii) A call may be revoked or postponed at the discretion of the Board.

14. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments.

15. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

16. (i) 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. per annum or at such lower rate, if any, as the Board may determine.

(ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.

17. (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these 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.

(ii) 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.

18. The Board-

(a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and

(b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent. per annum, as may be agreed upon between the Board and the member paying the sum in advance.

#### *Transfer of shares*

19. (i) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.

(ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

20. The Board may, subject to the right of appeal conferred by section 58 decline to register—

(a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or

(b) any transfer of shares on which the company has a lien.

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

(a) the instrument of transfer is in the form as prescribed in rules made under sub-section (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.

22. On giving not less than 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 thirty days at any one time or for more than forty-five days in the aggregate in any year.

#### *Transmission of shares*

23. (i) 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 shareholder, shall be the only persons recognized by the company as having any title to his interest in the shares.

(ii) Nothing in clause (i) 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.

24. (i) 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—

(a) to be registered himself as holder of the share; or

(b) to make such transfer of the share as the deceased or insolvent member could have made.

(i) 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.

25. (i) 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.

(ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

(iii) 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.

26. 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 ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have complied with.

#### *Forfeiture of shares*

27. 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.

28. The notice aforesaid shall—

(a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; 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.

29. 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

**30.** (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

(ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

**31.** (i) 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 monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.

(ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.

**32** (i) 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;

(ii) 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;

(iii) The transferee shall thereupon be registered as the holder of the share; and

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

**33.** The provisions of these regulations as to forfeiture shall apply in the case of nonpayment 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.



*Alteration of capital*

34. The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.

35. Subject to the provisions of section 61, the company may, by ordinary resolution,—

(a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

(b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;

(c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;

(d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

36. Where shares are converted into stock,—

(a) 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 that 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.

(b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such 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.

(c) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.

37. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,—

- (a) its share capital;
- (b) any capital redemption reserve account; or
- (c) any share premium account.

### *Capitalisation of profits*

38. (i) The company in general meeting may, upon the recommendation of the Board, resolve—

(a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and

(b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards—

(A) paying up any amounts for the time being unpaid on any shares held by such members respectively;

(B) 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;

(C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);

(D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;

(E) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

39. (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall—

(a) 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

(b) generally do all acts and things required to give effect thereto.

(ii) The Board shall have power—

(a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and

(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;

(iii) Any agreement made under such authority shall be effective and binding on such members.

#### *Buy-back of shares*

40. 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 meetings*

41. All general meetings other than annual general meeting shall be called extraordinary general meeting.

42. (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.

(ii) 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.

#### *Proceedings at general meetings*

43 (i) 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.

(ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.

44 . The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.

45. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.

46. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

#### *Adjournment of meeting*

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

(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 thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

(iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

#### *Voting rights*

48. 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 in proportion to his share in the paid-up equity share capital of the company.

49. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

50. (i) 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.

(ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

51. 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.

52. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

53. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.

54. (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 Chairperson of the meeting, whose decision shall be final and conclusive.

### *Proxy*

55. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll; not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

56. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

57. 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*

58. The number of the directors and the names of the first directors shall be determined in writing by the subscribers of the memorandum or a majority of them.

59. (i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

(ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them—

(a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or

(b) in connection with the business of the company.

60. The Board may pay all expenses incurred in getting up and registering the company.

61. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that (section) make and vary such regulations as it may think fit respecting the keeping of any such register.

62. 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.

63. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.

64. (i) 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.

(ii) 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.

#### *Proceedings of the Board*

65. (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

(ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

66. (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

(ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.

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

68. (i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.

(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.

69. (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.

(ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

70 . (i) A committee may elect a Chairperson of its meetings.

(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.

71. (i) A committee may meet and adjourn as it thinks fit.

(ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.

72. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.

73. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

*Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer*

74. Subject to the provisions of the Act,—

(i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;

(ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

75. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

*The Seal*

76. (i) The Board shall provide for the safe custody of the seal.

(ii) The seal of the company shall be affixed to any instrument as and when required on absolute discretion of the Board without any requirement of the resolution passed in this regard. ; any one of the Directors and the Company Secretary or any other person so authorized by the Board shall sign every instrument to which the seal of the company is so affixed.

*Dividends and Reserve*

77. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

78. 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.

79. (i) 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.



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

80. (i) 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.

(ii) 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.

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

81. 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.

82. (i) 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.

(ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

83. 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.

84. 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.

85. No dividend shall bear interest against the company.

#### *Accounts*

86. (i) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.

(ii) 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 authorised by the Board or by the company in general meeting.

### *Winding up*

87. Subject to the provisions of Chapter XX of the Act and rules made thereunder—

(i) 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.

(ii) 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.

(iii) 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*

88. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

**PART B<sup>1</sup>**  
**SPECIAL ARTICLES**

Notwithstanding anything to the contrary contained in the above Articles 1-88 (Part A), the following Articles 89 to 124 are inserted as Part B to give effect to the Share Subscription cum Shareholders' Agreement dated September 26, 2023 ("Execution Date") executed by and amongst the Company, Asiana Alternative Investment Fund – Scheme: Asiana Fund 1 ("Investor") and Ajanma Holdings Private Limited ("Promoter"), (collectively referred to as "Parties"), ("Agreement") further amended by the Amendment Agreement to the Share Subscription Cum Shareholders' Agreement 9<sup>th</sup> February, 2024 ('Amendment Agreement'). In the event of any inconsistency between the provisions of Part A and Part B, the provisions set out in Part B shall supersede and prevail over the provisions of Part A.

*Definitions and Interpretation*

89. In addition to the terms defined elsewhere in Part B of these Articles through inclusion in parentheses, the following terms shall apply throughout Part B of these Articles when used in capitalized form in herein:

- (a) "Act" means the (Indian) Companies Act, 2013 and the rules, orders, circulars and notifications framed thereunder (to the extent notified, amended, modified or supplemented from time to time);
- (b) "Adjourned Board Meeting" shall have the meaning as ascribed to it under Paragraph 3(b) of Part I of SCHEDULE I (*Meetings of the Company*) of the Articles;
- (c) "Adjourned Shareholders' Meeting" shall have the meaning ascribed to it under Paragraph 4(b) of Part II of SCHEDULE I (*Meetings of the Company*) of the Articles;
- (d) "Accounting Principles" means the Indian accounting standards or principles issued under the Companies (Indian Accounting Standards) Rules, 2015, as amended, together with any pronouncements issued under Applicable Law (*as defined below*) thereon from time to time, including Indian Generally Accepted Accounting Principles or any other accounting principles that may be prescribed under Applicable Law from time to time;
- (e) "Affiliate(s)" means: (i) with respect to any specified Person (*as defined below*), any other Person directly or indirectly Controlling or Controlled by or under direct or indirect common Control with such specified Person, and (ii) with respect to the Investor, without prejudice to the foregoing, any fund, collective investment scheme, trust, limited liability partnership, partnership (including any co-investment partnership) or investment company / special

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<sup>1</sup> As adopted by means of a special resolution passed at the Extraordinary General Meeting of the Company held on 12<sup>th</sup> February, 2024.

purpose vehicle / investment fund owned, managed, advised, Controlled or promoted by the Investor, provided however that, a portfolio company of the Investor shall not be deemed to be an Affiliate of the Investor. In case of natural persons, his/her Relatives (*as defined below*) shall also be deemed to be Affiliates of such natural persons;

- (f) “**Applicable Law(s)**” means any (i) applicable constitutions, decrees, treaties, statutes, enactments, laws (including the common law), codes, notifications, rules, regulations, policies, guidelines, circulars, protocols, ordinances or orders of any Governmental Authority (*as defined below*), statutory authority, court, or tribunal having jurisdiction over the relevant Party; and (ii) Consents, approvals, authorizations from and binding administrative interpretation having the force of law, writs, orders, decisions, injunctions, judgments, awards, directions and decrees of or agreements with, any Governmental Authority or recognized stock exchange, statutory authority, court, or tribunal, in each case having jurisdiction over such Party;
- (g) “**Assets**” means any assets or properties (whether immovable, movable, tangible or intangible, absolute, accrued, fixed or otherwise) as now operated, hired, rented, owned or leased by a Person, including cash, cash equivalents, securities, accounts and notes receivable, real estate, plant and machinery, equipment, trademarks, brands, patents, copyrights, trade secrets, other intellectual property, raw materials, inventory, furniture, fixtures and insurance, and includes all rights, interests and privileges attached thereto;
- (h) “**Articles**” means the articles of association of the Company, as amended, modified or restated from time to time;
- (i) “**Board**” means the board of directors of the Company as constituted from time to time, including any committees thereof;
- (j) “**Board Meeting(s)**” shall have the meaning as ascribed to it in Paragraph 2(a) of Part I of **SCHEDULE I** (*Meetings of the Board*) of the Articles;
- (k) “**Business**” shall have the meaning as ascribed to it in Recital A of the Agreement;
- (l) “**Business Day(s)**” means day(s), other than Saturday and Sunday, on which banks are open for conducting normal business of banking in India;
- (m) “**Business Plan**” means the annual operating business plan of the Company containing *inter alia* key performance indicators, an annual budget in relation to sales, revenue and operating expenditure, cash flow, capital expenditure projections of the Company, an annual income statement, a statement of annual cash flow, a balance sheet and a detailed breakdown of the working capital requirements of the Company and such amendments and changes from time to time;

- (n) **“Buy Back Price Per Share”** means a price per Equity Share equivalent to “X”, where:
- i.  $X = Y \times (1.25)^{(M/12)}$ , wherein;
  - ii.  $Y = \text{INR } 702/-$  (*Rupees Seven Hundred and Two*) (as appropriately adjusted by any dividend declared and paid to the Investor by the Company, bonus shares issued to the Investor, any additional Equity Shares issued to the Investor on account of a Dilution Event, or any stock split, consolidation or other similar action as regards the Investor Securities, between the Execution Date (*as defined below*) and the date of valuation); and
  - iii.  $M =$  number of months elapsed since the Execution Date till the date of calculation of the Buy Back Price Per Share;
- (o) **“Charter Documents”** means Articles and MoA (*as defined below*);
- (p) **“Closing”** means subscription of the Investor Securities by the Investor and allotment thereof by the Company to the Investor, on a preferential basis, subject to and in accordance with the terms and conditions of the Agreement and in particular, completion of all actions at Clause 6 of the Agreement;
- (q) **“Contract(s)”** means any written or other legally binding agreement, contract, undertaking, licence, lease, understanding, instrument, note, warranty, insurance policy, benefit plan or legally binding commitment or undertaking of any kind, nature whether express or implied (including for the avoidance of doubt, any lease and/or license agreement, common area maintenance agreement, master services agreement, letter of intent, etc);
- (r) **“Control”** means, with respect to any Person, (i) the ability to direct the management or policies of such Person, directly or indirectly, whether through ownership of shares or other securities, by contract or otherwise, or, (ii) direct or indirect ownership of or the power to direct the vote of 50% (*fifty percent*) or more of the voting share capital of a Person; or (iii) power to control the composition of the board of directors of a Person (the expressions “common control”, “controlling”, “controls” and “controlled” shall have the corresponding meanings);
- (s) **“Consent”** means any permit, permission, license, ratification, notice, approval, authorisation, consent, clearance, waiver, no objection certificate, grant, concession, certificate, exemption, order or registration, or other authorisation of whatever nature and by whatever name called, which is required to be granted by any Governmental Authority and/or the Board and/or the Shareholders (*as defined below*) and/or the creditors and/or the Investor or any other Person or authority or under the Agreement, any contract or Applicable Law;

- (t) **“Deed of Adherence”** means a deed of adherence in the form set out in **SCHEDULE VIII** (*Deed of Adherence*) of the Agreement;
- (u) **“Director”** means with respect to the Company, a director duly appointed on the Board and shall include alternate directors, if any;
- (v) **“Employment Agreement”** means the employment agreements executed by the Company with Persons who form part of the Management Team (*as defined below*), for the purpose of governing the role, duties, and term of their employment;
- (w) **“Encumbrance(s)”** shall mean to include the following:
  - i. Any mortgage, charge (whether fixed or floating), pledge, equitable interest, security interest, lien, hypothecation, assignment, deed of trust, title deposit required by contract, security interest, encumbrance of any kind which has an economic or financial effect similar to the granting of security, or securing or conferring any priority of payment in respect of any obligation of any Person;
  - ii. Any proxy, power of attorney, any voting trust agreement, option, right of other Persons to acquire/sell, right of first offer, refusal, pre-emption right, or Transfer (*as defined below*) restrictions in favour of any Person, or a conditional sale arrangement;
  - iii. Any adverse claim as to title, possession or use, restriction or condition and other title exception of whatsoever nature, including without limitation, any adverse judgement, order or ruling of any court or arbitral tribunal, tenancy, easement rights or other occupancy rights, restrictions on use, enjoyment, transfer, disposal, gift, exchange or exercise of any other attribute of ownership, any security or similar arrangement, any accrued and unsettled or outstanding statutory liability recoverable by sale of property; and
  - iv. A contract, whether conditional or otherwise, to give or refrain from giving any of the foregoing;

**“Encumber”** shall be construed accordingly;

- (x) **“Equity Shares”** means the ordinary equity shares of the Company having face value of INR 2 (*Rupees Two*) each;
- (y) **“ESOP Plan”** means a bona fide employee stock options plan of the Company, for the issue of employee stock options convertible into Equity Shares to its identified employees (including the Management Team), as approved by the Board and Shareholders of the Company;
- (z) **“Financial Year”** means the accounting year commencing on April 01 every year and ending on March 31 of the following year;

- (aa) **“Fully Diluted Basis”** means the total of all classes and series of issued Securities (*as defined below*) on a particular date, combined with all options (granted, vested or exercised) warrants (whether exercised or not), convertible Securities of all kinds and any other arrangements relating to the equity of a Person, all on an “as if converted” basis. It is however clarified that as regards ESOPs, the term “fully diluted basis” shall only refer to such ESOPs which have been issued and granted. For the purpose of the Articles, “as if converted” basis shall mean as if such instrument, option or Security had been converted into Equity Shares of the Person in accordance with their terms;
- (bb) **“Governmental Authority”** means any governmental or quasi-governmental authority, ministry, statutory or regulatory authority, government department, agency, commission, board, tribunal, judicial authority, quasi-judicial authority, or court or any entity exercising executive, legislative, judicial, regulatory or administrative, financial, supervisory, determinative, disciplinary or taxation functions of or pertaining to or purporting to have jurisdiction on behalf of or representing the Government of India or any other relevant jurisdiction applicable to the Parties and/or their Affiliates, or any state, municipality, district or other subdivision or instrumentality thereof;
- (cc) **“Indebtedness”** as applied to any Person (a **“Relevant Person”**) means, without duplication: (a) all indebtedness for borrowed money or operational debt (including overdrafts, deposits, advances, interest, premiums, penalties, fees and any other liabilities, in each case to the extent such liability is in the nature of borrowed money); (b) any agreement or instrument treated as a finance or capital lease; (c) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing; (d) obligations of the Relevant Person to pay deferred or installment purchase price of property or services, other than trade payables and ordinary course accruals; (e) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and when calculating the value of any derivative transaction, only the marked to market value shall be taken into account); (f) any counter-indemnity obligation extended by the Relevant Person in respect of any guarantee, indemnity, bond, letter of credit or any other instrument issued by a bank or financial institution; (g) all obligations evidenced by a note, bond, debenture, letter of credit or similar instrument; (h) all amounts treated as debt under the Accounting Principles; and (i) all guarantees and letters of comfort or similar instruments of any nature extended by the Relevant Person with respect to any indebtedness and obligations of any other Person including the types described in sub-clauses (a) through (i) above;
- (dd) **“Intellectual Property”** means all patents, inventions (whether patentable or not), trademarks, service marks, service names, logos, get-up, trade names, internet domain names, rights in designs, copyright (including rights in computer software) and moral rights, database rights, semi-conductor topography rights, utility models, rights in know-how, confidential

information, trade secrets, brands and the goodwill associated therewith, and other intellectual property rights and proprietary data, in each case whether registered or unregistered and including applications for registration, and all rights or forms of protection having equivalent or similar effect anywhere in the world, including by way of a contract relating to any of the foregoing. The right, title or interest in any Intellectual Property shall be referred to as “**Intellectual Property Rights**”;

- (ee) “**Investment Amount**” means INR 140,00,00,004 (*Rupees One Hundred Forty Crores and Four*) to be paid by the Investor on the Execution Date towards subscription of Investor Securities, subject to the terms contained in the Agreement;
- (ff) “**Investor Director**” shall have the meaning ascribed to it in Article 93(a);
- (gg) “**Investor Security(ies)**” means the Securities being issued and allotted to the Investor under the Agreement;
- (hh) “**IPO**” shall mean an initial public offering of Equity Shares or other securities of the Company (including by way of offer for sale) on, and their listing and admission to trading on, any Stock Exchange (*as defined below*) in accordance with the provisions of Applicable Law;
- (ii) “**Liquidation Event**” means the commencement of any proceedings for the voluntary winding up of the Company in accordance with Applicable Law 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 the liquidation of the Company;
- (jj) “**Management Team**” means the executive chairman, managing director and any other key managerial personnel (as defined under Section 2(51) of the Act) of the Company;
- (kk) “**MoA**” means the memorandum of association of the Company, as amended, modified or restated from time to time;
- (ll) “**Ordinary Course of Business**” means any action taken by a Person that satisfies all of the following conditions: (i) the action is taken in regular and normal day to day operations; and (ii) is consistent with its past customs and prudent business practices only to the extent taken in accordance with Applicable Law; and (iii) such action is not required under the Act to be authorized by the Shareholders and Board. It is clarified that a series of related transactions which, taken together, do not satisfy any of the above conditions, shall not be deemed to be in Ordinary Course of Business;
- (mm) “**Person(s)**” shall mean and include any individual, sole proprietorship, union, association, corporation, body corporate, limited liability partnership, partnership (limited or unlimited),



Hindu undivided family, joint venture, venture capital fund, alternative investment fund, trust, unincorporated / unregistered organization or association, joint stock company or limited or unlimited liability company, estate, enterprise or other entity or organization, association of persons, including a government or political subdivision, or an agency or instrumentality thereof or any other entity that may be treated as a person under Applicable Laws;

(nn) “**Related Party**” shall have the meaning ascribed to it under the Act;

(oo) “**Relative**” shall have the meaning ascribed to it under the Act;

(pp) “**Reserved Matters**” shall have the meaning ascribed to them in Article 95 and has reference to the matters appearing in the list at **SCHEDULE III** (*List of Reserved Matters of the Company*) herein;

(qq) “**Security(ies)**” means the Equity Shares, preference shares, debentures, whether convertible or not, and all other classes of shares in the capital of the Company issued from time to time, together with all rights, differential rights, obligations, title, interest and claim in such shares and shall be deemed to include all bonus shares issued in respect of such shares and shares issued pursuant to a stock split in respect of such shares;

(rr) “**Share Capital**” means the total issued and fully paid-up share capital of the Company on a Fully Diluted Basis;

(ss) “**Shareholder(s)**” shall mean the Promoter, the Investor (on and from the Execution Date following the Closing) and/or any Person who holds Securities or acquires Securities from time to time, and “**Shareholding**” shall be construed accordingly;

(tt) “**Shareholders’ Meeting**” shall have the meaning as ascribed to it in Paragraph 2(a) of Part II of **SCHEDULE I** (*Meetings of the Company*) of the Articles;

(uu) “**Stock Exchange**” means the National Stock Exchange of India Limited, the BSE (formerly the Bombay Stock Exchange Limited) or such other national or international recognized stock exchange, as approved by the Parties in writing; and

(vv) “**Transfer**” means and includes any direct or indirect (in either the noun or the verb form including, with respect to the verb form, all conjugations thereof within their co-relative meanings), sale, transfer, gift, assign, Encumbrance, transfer of any interest in trust or by operation or otherwise, exchange or in any other way dispose of in any manner whatsoever pursuant to the transfer of an economic, legal, beneficial or other interest, the creation of a derivative security (whether for or without consideration) directly or indirectly, voluntarily or involuntarily.

90. Part B of these Articles shall be interpreted in accordance with the principles set forth herein, save and except where the context otherwise requires in these Articles:

- (a) any reference to any Applicable Law shall include:
  - i. all subordinate legislation made from time to time under Applicable Law, as amended, modified, re-enacted or consolidated;
  - ii. such Applicable Law as from time to time amended, modified, re-enacted or consolidated;
- (b) any references to the masculine, the feminine and the neuter genders shall include references to all other genders;
- (c) any reference to books, files, records or other information or any of them means books, files, records or other information or any of them in any form or in whatever medium held including paper, electronically stored data, magnetic media, film and microfilm;
- (d) headings to Articles, parts and paragraphs of schedules and exhibits are for convenience only and do not affect the interpretation of the Articles;
- (e) a reference to a specific time for the performance of an obligation is a reference to that time in the country, province, state, country or other place where that obligation is to be performed;
- (f) “in writing” includes any communication made by letter or electronic mail;
- (g) the words “include”, “including” and “in particular” shall be construed as being by way of illustration or emphasis only and shall not be construed as, nor shall they take effect as, limiting the generality of any preceding words;
- (h) reference to the terms “herein”, “hereto”, “hereunder” and words of similar purport refer to the Articles in its entirety;
- (i) references to days, months or years are to Gregorian days, months and calendar years respectively;
- (j) where a wider construction is possible, the words “other” and “otherwise” shall not be construed ejusdem generis with any foregoing words;
- (k) any reference to a document in the “agreed form” is to the form of the relevant document agreed between the relevant and applicable Parties and for the purpose of identification initialed by each of them or on their behalf (in each such case with such amendments as may be agreed by or on behalf of the Parties);
- (l) the capitalized terms used herein but not defined, shall have the same meaning as ascribed to them under the Agreement.

*Board of Directors and Meetings*

**91. Overall Management of the Company**

Subject to the rights and entitlements contained in these Articles, including without limitation, the Reserved Matters set forth in Article 95 along with **SCHEDULE III** (*List of Reserved Matters*) of these Articles and subject to Applicable Laws, the day to day affairs of the Company shall be conducted by the Management Team in accordance with their respective Employment Agreement, however, the Management Team shall report to the Board on the overall management of the

Company's operations and seek its guidance on material issues relating to the Business.

## 92. Board of Directors

Subject to the Articles and the Act, the Business shall be managed by and shall be under the direction and supervision of the Board, which may exercise all such powers of the Company and do all lawful acts and things that may not be specifically directed or required to be exercised or undertaken by the Shareholders under the Act, the Charter Documents and the Agreement. The Board shall, at its discretion, formulate policies relating to the Business which are to be applied by the Promoter while conducting the Business.

## 93. Composition of the Board

- (a) The Board shall comprise of a minimum of 6 (six) Directors and a maximum of such Directors as may be determined by the Board, such that:
  - i. The Promoter shall have the right to nominate the majority of the Director(s) to the Board ("**Promoter Director**"); and
  - ii. The Investor shall have the right to nominate 1 (one) Director ("**Investor Director**") to the Board;
- (b) It is hereby clarified that, the Board may, if it so deems fit or if required under Applicable Law, appoint an independent director(s) on the Board.
- (c) **Chairman:** The Board Meetings shall be presided over by the chairman, who shall be elected by the Directors from among themselves ("**Chairman**"). The Chairman shall not have a casting vote.

## 94. Investor Director

- (a) Subject to Article 121 (*Fall Away*), till such time the Investor holds at least 5% (five percent) of the Share Capital, the Investor shall have the right to nominate and appoint an Investor Director. In the event, the Investor nominates the Investor Director for appointment, the Board and the Company shall ensure that within 15 (fifteen) days of such nomination, it takes all necessary steps as required under Applicable Law to approve the appointment of the Investor Director as a Director and shall take all steps to ensure that such Person is also confirmed as a Director at the next annual general meeting of the Company. Each of the Parties agree to promptly vote in proportion of their respective Equity Shares, in favour of, the individual nominated pursuant to the preceding sentence at any general meeting of the Company. The Investor shall have the right to replace such Director nominated by it, including any alternate Director, as the case may be, at any time and without cause, and the Parties shall undertake all necessary action to ensure the formal election of such replacement Director as the first item of business at the next occurring Board meeting.
- (b) The Investor Director shall be a non-executive Director on the Board and shall not be involved in day-to-day management or conduct of the Company. The Parties hereby agree that the

- Investor Director shall not be named in any correspondence, applications, licenses, approvals, compliance reports or otherwise as the person in charge of or responsible for the operations of the Company or compliance by the Company of any laws or licenses or as an “officer who is in default”. The Company shall assert such position in any notice, reply, litigation or other proceedings in which any liability is sought to be attached to the Investor or the Investor Director. The Company shall procure that the Management Team or such other suitable persons as determined by the Board shall be nominated as “officer who is in default” or “employers” or such other designations for the purpose of statutory compliance under Applicable Law to ensure that the Investor Director does not incur any liability in this regard.
- (c) The Company shall, in accordance with the Act, indemnify the Investor Director from and against:
- i. any act, omission or conduct of or by the Company, its employees or agents as a result of which, in whole or in part, the Investor Director is made a party to, or otherwise incurs any Loss pursuant to, any action, suit, claim or proceeding arising out of or relating to any such conduct; or
  - ii. any action undertaken or omission by Investor Director at the written request of or with the written consent of the Company, other than the independent decision of the Investor Director to exercise their voting rights at a meeting of the Board; or
  - iii. contravention of any Law by the Company and any action or proceedings taken against the Investor Director in connection with any such contravention or alleged contravention.

## 95. Reserved Matters

- (a) Notwithstanding anything to the contrary contained in the Articles, the Company and any subsidiary of the Company shall not, directly or indirectly, resolve, consider or take any action (whether in any Shareholders’ Meeting, any meeting of the Board or committees / sub-committees thereof, by way of circular resolution or by any officer or employee of the Company) in respect of any of the matters set out in **SCHEDULE III (List of Reserved Matters of the Company)** hereof (“**Reserved Matters**”), unless a prior written approval of such matter is given by the Investor or affirmatively voted upon in favour of the relevant Reserved Matter at the Board meeting and/or the Shareholders’ meeting or by way of an affirmative vote to the resolutions proposed by postal ballot or circular resolution or in any other manner or have expressly waived the requirement for approval in writing, as the case may be. The Company shall ensure that the agenda of the Board Meeting (or a meeting of any committee thereof) or by way of circulation or at a Shareholders’ Meeting, as applicable, contain relevant details where any matter to be approved is a Reserved Matter. For the avoidance of doubt, it is hereby clarified that in the event: (a) the Investor Director (at any Board Meeting (or by way of circular resolution) or meeting of the committee thereof) or representative of the Investor, (at any Shareholders’ Meeting,) does not cast its vote in favour of any of the Reserved Matters; or (b) the Investor has not conveyed its written approval in favour of any of the Reserved Matters, then the Company shall not take any decision with respect to such Reserved Matter without obtaining the prior written approval of the Investor.

It is hereby agreed between the Parties that the rights of the Investor under this Article 95 and **SCHEDULE III** (*List of Reserved Matters of the Company*) of these Articles shall fall away upon the Investor ceasing to hold 5% of the Share Capital, as required in Article 121 (*Fall Away*).

- (b) The Parties agree that the Investor will not be involved in day-to-day management or operations of the Company and/ or the subsidiaries. However, in order to protect the Investor's economic interests, the Parties have mutually agreed to provide specific Reserved Matters to the Investor, which would have an impact on its investment in the Company. It is clarified that, any Consent given in accordance with Articles 91 to 96 shall only be applicable with respect to the particular instance in respect of which such Consent has been provided, and shall not under any circumstance, be deemed to be a Consent to such item in any other instance.
- (c) The Parties agree and acknowledge that any resolution passed at a Board Meeting, meeting of a committee, or at a Shareholders' Meeting in contravention of this Article 95, or any other actions taken in breach of this Article 95, shall be ultra vires the Charter Documents, and shall be invalid and void ab initio.

96. The procedures followed by the Board and particulars concerning the Board Meeting and the Shareholders Meeting is elucidated in **SCHEDULE I** (*Meetings of the Company*) of these Articles.

#### *ESOP Plan*

97. The Company shall implement an ESOP Plan where the maximum number of Equity Shares that may be issued under the ESOP Plan shall be equivalent to 3% (three percent) of the Share Capital, on Fully Diluted Basis.

#### *Pre-emptive rights*

98. If the Company is desirous of issuing any new Securities (including by way of a rights issue or a preferential issue in accordance with the Act) ("**Additional Issuance**"), the Company shall first offer the right to acquire such Securities under the Additional Issuance to the Investor to enable the Investor to maintain its shareholding in the Company as on the date of the Additional Issuance ("**Pre-Emptive Right**"). The Company shall give the Investor a written notice of any proposed Additional Issuance specifying: (i) the number of new Securities proposed to be issued ("**New Securities**"); (ii) the terms of issuance of the New Securities; (iii) the identity of the proposed subscriber(s) of the New Securities ("**Proposed Subscriber**"); (iv) the issuance price of New Securities; and (v) the total quantum of investment to be raised by the proposed issuance of New Securities, such notice being the "**Issuance Notice**".
99. Upon receipt of the Issuance Notice, the Investor shall have the right (but not an obligation) to subscribe to the New Securities on such terms and conditions as offered by the Company to the

Proposed Subscriber so as to enable the Investor to maintain its shareholding in the Company as on the date of the Additional Issuance (on a Fully Diluted Basis) (“**New Securities Entitlement**”). The Investor may choose to subscribe to all or part of its New Securities Entitlement.

100. Within 30 (thirty) days from the delivery of the Issuance Notice, the Investor shall have the right (but not the obligation to) to agree to subscribe to all or any part of New Securities Entitlement, by giving written notice to the Company setting forth the quantity of the Securities out of the New Securities Entitlement proposed to be subscribed to by the Investor (“**Issuance Acceptance Notice**”). If the Investor so elects to subscribe to its New Securities Entitlement, whether in full or in part, such New Securities shall be issued and allotted to the Investor in accordance with its election.
101. If the Investor fails to exercise or expressly waive its right as foregoing within the period specified above, the Company shall have 30 (thirty) days after the expiry of the time period for providing the Issuance Acceptance Notice to issue and allot the unsubscribed portion of the New Securities to the Proposed Subscriber specified in the Issuance Notice at the same price and terms and conditions set out in the Issuance Notice. If the Company fails to issue and allot the New Securities within the time period set out in this article, the Company shall not thereafter issue and allot such New Securities without first offering to the Investor in the manner and as per the procedure set out in Articles 98 to 103.
102. The Investor shall be entitled to nominate one or more of its Affiliates (“**Nominee**”) to subscribe to all or part of the New Securities Entitlement, pursuant to Articles 98 to 103.
103. The Investor’s right under Articles 98 to 103 shall be available to the Investor as long as the Investor meets the thresholds set out in Article 121 (Fall Away).

*More favourable terms*

104. If the Company issues new Securities to a third party, resulting in a shareholding equal to, or lower than, the shareholding of the Investor (“**New Securities**”), at terms that are more favourable than the terms and conditions granted to the Investor for its investment, then any and all such more favourable terms that were proposed for the New Securities shall be automatically applicable to the investment by the Investor (to the extent that such terms and conditions are relevant) but without imposing any additional obligations on the Investor, provided that if the New Securities are issued at a valuation of the Company which is in excess of 1.15 times the valuation of 100% (one hundred percent) of the Company at which the Investor was issued the Investor Securities, then Articles 104 and 105 shall not apply.
105. The Parties agree to take all necessary steps and perform all necessary actions as may be reasonably requested by the Investor, to effectively implement the same (including, but not limited to, amending the Charter Documents as required).

*Anti-dilution*

106. Subject to the terms and conditions of the Articles, if at any time , the Company proposes to issue to any Person any Securities which confer a right to form a part of the Share Capital either upfront or at a later date, at a price per Security (except Equity Shares issued or issuable pursuant to the ESOP Plan) (the “Offer Price”) that is lower than the Subscription Price per Investor Security (such an event being referred to as a “Dilution Event”), then the Investor shall be entitled to a broad-based weighted average anti-dilution protection in accordance with **SCHEDULE II** (Broad Based Anti-Dilution Protection) of these Articles in respect of the Investor Securities held by it.
107. In such a Dilution Event, the Company shall,
- (a) either as a condition precedent to the issuance of any Securities pursuant to the Dilution Event, or
  - (b) at the option of Investor, at the earliest possible time as permitted under the Applicable Law,
- issue additional Securities to the Investor for no additional consideration and if not permissible under Applicable Law, at the lowest permissible consideration under Applicable Law, the effect of which shall be such that the Investor receives the additional Securities as determined pursuant to the broad-based weighted average anti-dilution protection in accordance with **SCHEDULE II** (*Broad Based Anti-Dilution Protection*) (“Additional Shares”).
108. For the purposes of Articles 106 to 108, the Company and the Shareholders shall be bound to cooperate with each other and the Investor. If the adjustment as contemplated in Articles 106 to 108 cannot be undertaken due to Applicable Law, then the Parties shall mutually discuss and agree on an alternative to achieve the aforesaid adjustment, including without limitation through the issuance of Securities by way of rights issue, bonus issue, etc. to the Investor. In the event any approvals or Consents are required for purposes of giving effect to Articles 106 to 108, the Company shall obtain such approvals.

*Transfer of securities*

**109. General Transfer Rules**

- (a) None of the Parties shall Transfer their Securities in the Company, except in accordance with and subject to Applicable Law, the terms and conditions set forth in the Articles and more particularly in Articles 109 to 114.
- (b) Any attempt by any Party to Transfer any Securities in violation of any provision of the Articles will be null and void ab initio and shall constitute a material breach of the Articles. The Parties will do all acts, deeds, or things to prevent any Transfer in contravention of the Articles from being given effect. The Company hereby agrees and confirms that it shall not record any Transfer or agreement or arrangement to Transfer the Securities on its books and shall not recognize or register any equitable or other claim to, or any interest in or pay any dividend or

accord any right to vote in the Securities which have been Transferred by the existing Shareholders in any manner other than as permitted under the Articles, without the necessity of a Board decision or an order of any Governmental Authority.

#### 110. **Transfer by Investor**

- (a) No Transfer of Securities by the Investor may be made unless the transferee has executed a Deed of Adherence.
- (b) Notwithstanding anything contained herein: (i) the Investor shall have the right to Transfer any or all of its Securities held by it in the Company and all rights granted to it under the Articles to any of its Affiliates or any Third Party (other than a Competitor until the expiry of the Exit Period or occurrence of an Event of Default, whichever is earlier) without any restrictions whatsoever subject to compliance with Articles 110 and 111; and (ii) none of the Shareholders shall have the right to Transfer its Shareholding to a Competitor, except in case of the Investor, when the Promoter or the Company have failed to provide the exit to the Investor within the Exit Period as per Articles 115 to 118 (*Exit Rights*) or upon occurrence of an Event of Default, whichever is earlier.

#### 111. **Right of First Offer of the Promoter**

- (a) The Transfer of any or all Securities held by the Investor (“**Selling Shareholder**”), shall be subject to a right of first offer of the Promoter (hereinafter the “**Promoter ROFO**”). In the event the Selling Shareholder intends to Transfer any or all of the Securities held by them (“**ROFO Shares**”), then the Selling Shareholder shall first notify its intent to sell ROFO Shares to the Promoter through a written notice (“**ROFO Notice**”) and specifying the number of such ROFO Shares proposed to be Transferred by the Selling Shareholder.
- (b) Within a period of 30 (thirty) days from the date of receipt of the ROFO Notice (“**ROFO Notice Period**”), the Promoter shall have the option to either, communicate its willingness to acquire all the ROFO Shares, or communicate its decision that it does not want to acquire the ROFO Shares.
- (c) If within the ROFO Notice Period, the Promoter (a) does not communicate its willingness to acquire all the ROFO Shares; or (b) communicates that it does not want to acquire the ROFO Shares, then the Selling Shareholder may Transfer such ROFO Shares, to a third party purchaser who is not a Competitor (“**Third Party Transferee**”), and provided the Third Party Transferee shall execute a Deed of Adherence. Such Transfer of the ROFO Shares shall be completed within 120 (one hundred and twenty) days from the end of the ROFO Notice Period. If the Selling Shareholder communicates within the ROFO Notice Period that it does not propose to Transfer the ROFO Shares to the Promoter or any Third Party Transferee, then Article 111 shall be treated as if no such offer was made.
- (d) If the Promoter decides at its option to irrevocably offer to purchase all the ROFO Shares at a price per Security on a cash basis determined by the Promoter (“**ROFO Price**”), then it shall communicate its intention to purchase the ROFO Shares and the ROFO Price by issuing a notice to the Selling Shareholder (“**Response Notice**”) within the ROFO Notice Period.



- (e) Within a period of 60 (sixty) days from the receipt of the Response Notice, the Selling Shareholder shall notify the Promoter through the delivery of a written notice (“**Selling Shareholder Notice**”), (a) if it is willing to Transfer the ROFO Shares to the Promoter at the ROFO Price; or (b) its decision to Transfer the ROFO Shares to a Third Party Transferee. If the Selling Shareholder has indicated its willingness to Transfer the ROFO Shares to the Promoter at the ROFO Price in the Selling Shareholder Notice, the sale of the ROFO Shares by the Selling Shareholder to the Promoter shall be completed within a period of 30 (thirty) days from the receipt of the Selling Shareholder Notice. If the Selling Shareholder decides not to accept the ROFO Price, the Selling Shareholder may Transfer the ROFO Shares to a Third Party Transferee at a price which is at least 10% (ten percent) higher than ROFO Price (such price the “**Third Party Offer Price**”). The Selling Shareholder shall inform the Promoter of the Third Party Offer Price, along with the name and details of the proposed Third Party Transferee and the other terms and conditions of the proposed Transfer (“**Sale Notice**”). On receipt of the Sale Notice, the Promoter shall have the right but not the obligation to match the Third Party Offer Price (“**Right to Match**”). The Promoter may, by delivery of a written notice to the Selling Shareholder, within 15 (fifteen) Business Days from the receipt of the Sale Notice, exercise its Right to Match and indicate its willingness to purchase the ROFO Shares at the Third Party Offer Price. If the Promoter has indicated its willingness to match the Third Party Offer Price and purchase the ROFO Shares, the sale of the ROFO Shares by the Selling Shareholder to the Promoter shall be completed within 60 (sixty) days of the Sale Notice and such sale will be at no less favorable terms than as set out in the Sale Notice. If the Promoter has not communicated its willingness to purchase the ROFO Shares at the Third Party Offer Price within 15 (fifteen) Business Days from the receipt of the Sale Notice, the Selling Shareholder has the right to Transfer the ROFO Shares to the Third Party Transferee within 60 (sixty) days of the Sale Notice at the Third Party Offer Price.
- (f) Article 111 shall be applicable only if (a) the Investor proposes to transfer its Securities to a Person other than to its Affiliate; (b) no Event of Default has occurred or is subsisting; and (c) the Exit Period has not expired.

#### 112. **Investor Tag Along Right**

- (a) If the Promoter and/ or its Affiliate(s) proposes to Transfer 15% (fifteen percent) or more of the Securities held by it (“**Promoter Securities**”) to any third party (“**Tag Buyer**”) in one or more transactions, then the Investor (“**Tag Seller**”) shall have the right (but not an obligation) to sell, and the Promoter shall have the obligation to ensure such sale of, the Tag Shares (defined below) held by the Tag Seller to such Tag Buyer, at the same price per Security and on no less favorable terms on which the Promoter proposes to Transfer the Promoter Securities (“**Tag Along Right**”).
- (b) The Tag Along Right shall entitle the Tag Seller to require the Promoter to ensure that the Tag Buyer purchases from the Tag Seller:
- i. where the proposed Transfer of the Promoter Securities to the Tag Buyer does not result in a Change in Control (defined below), such number of Securities as is determined by multiplying the number of total Securities of the Investor by a fraction,

- (x) the numerator of which shall be the number of Promoter Securities, and (y) the denominator of which shall be the total number of Securities then held by the Promoter; and
- ii. where the proposed Transfer of the Promoter Securities to the Tag Buyer results in Change in Control (defined below), all shares held by the Investor, such Securities of the Tag Seller determined in accordance with Article 112(b) being the “**Tag Shares**”. For the avoidance of doubt, the number of Promoter Securities to be Transferred by the Promoter to the Tag Buyer in such transaction shall be reduced by the number of Tag Shares in order to accommodate the Tag Shares in the transaction.
- (c) The Promoter shall ensure that the Tag Shares shall be purchased by the Tag Buyer at the same price per Security and on no less favorable terms on which the Promoter proposes to Transfer the Promoter Securities provided that Investor and/ or its Affiliates, as the case may be, shall not be required to provide any representations, warranties and indemnities in connection with such Transfer except for representations and warranties in respect of title.
- (d) If the Promoter proposes to Transfer the Promoter Securities in accordance with Article 112(a) to a Tag Buyer, then it shall provide a written notice to the Tag Seller (“**Tag Along Notice**”) specifying: (i) the proposed price per Security (which shall be for cash consideration only) and the terms on which such Promoter Securities are proposed to be Transferred; (ii) the identity of the Tag Buyer; and (iii) a confirmation that the Tag Buyer has been informed of the Tag Along Right set out in Article 112, and that the Tag Buyer has agreed to purchase the Tag Shares held by the Tag Seller in accordance with the terms of Article 112.
- (e) The Tag Seller shall be entitled to exercise the Tag Along Right within 30 (thirty) days of receipt of the Tag Along Notice (“**Tag Along Period**”) by giving a notice in writing to the Promoter that it desires to sell its Tag Shares under the Tag Along Right. The Transfer of the Tag Shares shall take place simultaneously with Transfer of the Promoter Securities by the Promoter to the Tag Buyer.
- (f) In the event the Tag Seller does not exercise its Tag Along Right or fails to respond to the Tag Along Notice within the Tag Along Period, the Promoter shall be entitled to sell the Promoter Securities to the Tag Buyer on same terms and conditions as those contained in the Tag Along Notice, within a period of 60 (sixty) days from the expiry of the Tag Along Period. If such Transfer is not completed within this 60 (sixty) day period, then the Promoter shall not Transfer any of its Promoter Securities to the Tag Buyer and the provisions of Article 112 shall apply again to any proposed Transfer of any of the Promoter Securities by the Promoter.
- (g) If the Tag Buyer declines to purchase the Tag Shares or in the alternate declines to purchase the Tag Shares at the same price (including the mode and manner of payment of the purchase consideration) at which the Tag Buyer is acquiring the Promoter Securities, then the Promoter shall not Transfer any of its Promoter Securities to the Tag Buyer and, the provisions of Article 112 shall apply again to any proposed Transfer of the Promoter Securities by the Promoter to a third party buyer. Any attempted Transfer in violation of Article 112 shall not be recorded by the Company and shall be treated as void.
- (h) For the purposes of Article 112:  
“**Change in Control**” means that after giving effect to the proposed Transfer of Securities,

the Promoter and/ or its Affiliates will cease to:

- i. Own at least 50.01% of the outstanding Equity Shares of the Company; or
- ii. Own at least 50.01% of the Securities of the Company (on a Fully Diluted Basis); or
- iii. Control the majority of the composition of the Board.

### 113. Promoter's Drag Right

- (a) If the Promoter proposes to Transfer any of the Securities to any third party wherein more than 50.01% of the Share Capital is being Transferred ("**Drag Purchaser**") at a price per Equity Share which is equal to or in excess of the Buy Back Price Per Share and the Investor has not exercised its Tag Along Right, then the Promoter shall have the right (but not an obligation) to require the Investor ("**Dragged Shareholder**") to sell and Transfer all, but not less than all, of its Securities ("**Drag Shares**") to the Drag Purchaser in accordance with the terms and conditions specified in the Drag Notice (*defined below*). This right of the Promoter to require the Dragged Shareholder to sell the Drag Shares to the Drag Purchaser shall be referred to as the "**Drag Right**" and shall be exercised in the manner set forth hereinafter.
- (b) To exercise the Drag Right, the Promoter shall provide a written notice to the Drag Shareholder ("**Drag Notice**") requiring it to Transfer the Drag Shares, free and clear of all Encumbrances. The Drag Notice shall specify: (a) the price and the form of consideration at which the Drag Purchaser proposes to purchase Securities from the Promoter, which in any event shall not be lesser than the Buy Back Price Per Share ("**Drag Price**"); (b) the name and details of the Drag Purchaser; (c) the date on which the Securities shall be Transferred, which shall not be less than 30 (thirty) days from the date of the Drag Notice; and (d) other material terms and conditions on which the proposed Transfer is to be made. The Dragged Shareholder shall, upon receipt of the Drag Notice, be bound and obligated to Transfer to the Drag Purchaser all the Drag Shares as specified in the Drag Notice at the Drag Price, and on the terms and conditions that are no less favourable than those stipulated in the Drag Notice.
- (c) If the Dragged Shareholder fails, refuses or is otherwise unable to comply with its obligations in Article 113, the Promoter shall have the authority and shall be obliged to designate a Person to execute and perform the necessary Transfer on behalf of the Dragged Shareholder. The Company shall receive and hold the purchase consideration in trust for the Dragged Shareholder and cause the Drag Purchaser to be registered as the holder of the Drag Shares being sold by the Dragged Shareholder. The receipt by the Company of the purchase consideration shall be a good discharge to the Drag Purchaser.
- (d) The Dragged Shareholder hereby covenants to take all steps reasonably necessary to give effect to the provisions of Article 113 including the passing of all necessary resolutions and obtaining all necessary Consents required for effecting the sale of the Drag Shares and giving necessary representation, and warranties solely in relation to title and authority, as are customary in transactions of such nature, to consummate the sale of the Drag Shares pursuant to the Drag Right exercised by the Promoter.
- (e) It is hereby clarified that the restriction on the Investor under Article 113 shall be applicable to

any Transferee of the Investor, provided that the Drag Right is exercised at the Drag Price.

**114. Permitted Transfers**

- (a) Nothing in Articles 109 to 113 shall prohibit or restrict a Shareholder from Transferring their respective Securities to their respective Affiliates, provided that prior to such permitted Transfer, the Affiliate of the Investor or the Promoter (as the case may be), which is the transferee, executes the Deed of Adherence and:
- i. For the Investor:
    - a. the Investor should legally and beneficially Control such Affiliate;
    - b. It is hereby clarified that in case the Investor Transfers part of its Shareholding to its Affiliate, then the rights acquired by an Affiliate of the Investor shall be exercised by the Investor and its Affiliate collectively acting as a single block of Shareholders without any duplication. Further, the Investor shall: (i) remain liable for all the actions taken by the Investor and its Affiliate in the Company; (ii) undertake all actions required to give effect to and ensure performance of its obligations under the Agreement; and (iii) remain liable for any breach of the obligations under the Agreement by itself or its Affiliates.
  - ii. For the Promoter:
    - a. the Promoter should legally and beneficially Control its Affiliate;
    - b. It is hereby clarified that in case the Promoter Transfers part of its Shareholding to its Affiliate, then the rights acquired by an Affiliate of the Promoter shall be exercised by the Promoter and its Affiliate collectively acting as a single block of Shareholders without any duplication. Further, the Promoter shall: (i) remain liable for all the actions taken by the Promoter and its Affiliate in the Company; (ii) undertake all actions required to give effect to and ensure performance of its obligations under the Agreement; and (iii) remain liable for any breach of the obligations under the Agreement by itself or its Affiliates.
    - c. The Promoter agrees and acknowledges that until the Investor is provided a full and complete exit from the Company in accordance with the terms of the Articles, the Promoter and/or their respective Affiliates shall retain majority shareholding and Management Control of the Company.
- (b) Any Affiliate transferee shall undertake that immediately prior to ceasing to be an Affiliate, it shall (and such Shareholder shall ensure that the said Affiliate shall) notify the Company of the same and re-transfer all its interest in all the Securities which the Affiliate holds at that time, back to the transferring Shareholder or to another Affiliate of the erstwhile Shareholder from which the Affiliate transferee received its Securities, as may be determined by the erstwhile Shareholder. Such subsequent transferee shall also sign the Deed of Adherence.
- (c) An Affiliate transferee, if it ceases to be an Affiliate, shall not have the right to Transfer any of its Securities to any Person other than to the erstwhile Shareholder from whom the Securities were Transferred to it or to another Affiliate of that erstwhile Shareholder, or to the Company in accordance with the Articles.

*Exit Rights*

115. Subject to the terms of Articles 115 to 118, the Promoter and the Company shall take its best efforts to provide, and shall cause the Company to provide, a full and complete exit to the Investor within a period of 3 (three) years from the Execution Date (“Exit Period”) and no later than 4 (four) years from the Execution Date.

For facilitating the above, (a) at any point in time until the Exit Period, the Company may, undertake an IPO subject to Applicable Laws and in the manner set out in Article 116 (*IPO*); (b) if the Company and Promoter fail to provide a full and complete exit to the Investor within the Exit Period, then within a period of 1 (one) year from the expiry of the Exit Period, the Promoter and the Company shall provide an exit to the Investor in the manner set out in Articles 116 and 117; and (c) after the expiry of 1 (one) year from the Exit Period, if the Promoter and the Company fail to provide a full and complete exit to the Investor as set out in Article 116 or Article 117, then, the Investor shall have the right to exercise the Investor Drag Along Right (*as defined below*) provided in Article 118. It is clarified that in the event of any conflict between the Articles 115 to 118 (*Exit Rights*) and Article 111 (*Right of First Offer of the Promoter*), the provisions of Articles 115 to 118 (*Exit Rights*) shall prevail.

116. **IPO**

- (a) The Company and the Promoter shall use best efforts to facilitate an IPO by the Exit Period, by way of complete listing of the Equity Shares through an initial public offering; on the Stock Exchange on terms and conditions set forth herein.
- (b) The Equity Shares held by the Shareholders shall be locked-in as per the Applicable Law and the Promoter shall make available such number of Equity Shares as may be required to be contributed towards mandatory lock-in under Applicable Law. The Company shall ensure that the Investor is not classified as ‘promoter’ of the Company for any reason whatsoever and that the Securities held by the Investor shall not be subject to any restriction (including that of lock-in or other restrictions) which are applicable to promoters under any Applicable Law. The Company undertakes not to designate the Investor as “promoter” of the Company or make any declaration or statement, either directly or indirectly, in filings with regulatory or Governmental Authorities, offer documents or otherwise mentioning the Investor as “promoter”.
- (c) The IPO shall comply with all Applicable Law and regulatory and listing requirements.
- (d) The Promoter and the Company take all such steps, obtain all approvals and the Investor shall extend all such co-operation to the Governmental Authorities, underwriters and others as may be required for the purpose of expeditiously making and completing the IPO.
- (e) The Company shall appoint a committee of Directors under the Board which shall take the necessary steps to launch the IPO (“**IPO Committee**”). The Company shall ensure that the Investor Director is a member of such IPO Committee. The timing, size of the issuance, price

per Equity Share of such offering under the IPO, shall be as determined by the IPO Committee of the Company, in accordance with the Articles and in consultation with a reputable merchant banker and / or the investment banks engaged by the Promoter and the Company in connection with such IPO. All decisions relating to timing, size of the issuance, price per Equity Share of such offering under the IPO, decided by the IPO Committee shall be approved on a unanimous basis.

- (f) In the event of the Company undertaking an IPO, the Company shall enter into an agreement for dilution of some (and not all) of the rights of the Investor (such dilution of rights in the aggregate, the “**Affected Rights**”) in the Articles if, and only to the extent required to:
  - i. demonstrate to the Governmental Authorities that the Investor and/or its Affiliates do not qualify as “promoters” of the Company under Applicable Law for the purposes of such IPO; and
  - ii. to ensure that the Company complies with Applicable Law and all regulatory requirements (inclusive of the requirement of the Stock Exchange and under the listing regulations) for the purposes of expeditious listing of the Equity Shares on a Stock Exchange.
- (g) The Parties agree and acknowledge that all costs, fees and expenses related to the IPO (including fees payable to merchant banker, underwriters, book-runners, issue registrars or other intermediaries) will be borne by the Company and the selling shareholders participating in the IPO in the proportion mutually agreed between such parties.
- (h) The Company agrees to indemnify and hold the Investor (and its Affiliates) and the Investor Director harmless from and against claims and/or losses caused by any untrue statement of a material fact contained in any statement or prospectus relating to the IPO made by the Company, or caused by any omission on part of the Company, to state therein a fact required to be stated therein or necessary to make the statements therein not deliberately misleading.

#### 117. **Other Exit Options**

- (a) If the Company fails to undertake an IPO within the Exit Period (as set out under Article 116 (*IPO*)), then within a period of 1 (one) year from the expiry of the Exit Period, the Investor shall be entitled, at its sole discretion, to require the Company and/ or Promoter to provide a full and complete exit to the Investor by way of a written notice (“**Exit Invocation Notice**”) through any of the following modes: (a) a buy back by the Company of all, but not less than all, the Securities held by the Investor (“**Buy Back**”), and/or (b) sale of the Securities held by the Investor to the Promoter or its nominee, or by any other means of providing a full and complete exit to the Investor by way a cash consideration (“**Secondary Sale**”) and/ or (c) a combination of (a) and (b), in each case at a price per Equity Share which is equal to the Buy Back Price Per Share. The discretion on the mode of such exit to be provided to the Investor shall vest with the Company and shall be communicated to the Investor by way of a Buy Back Offer Notice (*defined below*) or a Secondary Sale Offer Notice (*defined below*), as the case may be, within a reasonable time and in any event no later than 9 (nine) months from the receipt of the Exit Invocation Notice from the Investor. The Company and the Promoter shall

take all necessary actions to provide a complete and full exit to the Investor within a period of 1 (one) year from the expiry of the Exit Period through Buy Back, or Secondary Sale or combination of both, at their own respective cost and expense.

(b) Buy Back:

- i. Where the Company intends to facilitate the exit by way of Buy Back, the Company shall give a written notice to the Investor ("**Buy Back Offer Notice**") notifying that the Company has decided to facilitate the exit of the Investor by way of Buy Back. The Buy Back Offer Notice shall specify the mechanism of effectuating the Buy Back and the documents required from the Investor for effecting the Buy Back.
- ii. Within 30 (thirty) days of receipt of the Buy Back Offer Notice, the Investor shall confirm to the Company and the Promoter specifying the number of Equity Shares that it is willing to offer to the Company for Buy Back ("**Buy Back Notice**").
- iii. Within 30 (thirty) days from the date of receipt of the Buy Back Notice by the Company, the Company shall convene a Board Meeting to approve the Buy Back as per the terms set out in the Buy Back Notice. Thereafter, within 60 (sixty) days from the date of receipt of the Buy Back Notice by the Company, the Company shall pay to the Investor (in cash) an amount equivalent to the number of Securities proposed to be Transferred by the Investor multiplied by the Buy Back Price Per Share ("**Buy Back Consideration**"), against delivery of the instruction by the Investor to its depository participant for Transfer of the Investor Securities held by it.
- iv. Subject to Applicable Law, the Company shall effectuate a buy back by paying the Buy Back Consideration to the Investor within the timelines specified in Article 117(b)(iii).
- v. For the avoidance of doubt, the Investor shall be entitled to any dividends, distributions or return of capital relating to the Investor Securities which were declared or otherwise had a record date on or before the date of the Buy Back, and the Company shall pay such amounts, in immediately available funds, in conjunction with the payment of the Buy Back Consideration.
- vi. Any costs and transaction expenses incurred in connection with the Buy Back in accordance with Article 117(b) shall be payable by the Company.

(c) Secondary Sale:

- i. Where the Company intends to facilitate the exit by way of Secondary Sale through the Promoter, the Company and the Promoter shall give a written notice to the Investor ("**Secondary Sale Offer Notice**") notifying that the Company has decided to facilitate the exit of the Investor by way of Secondary Sale through the Promoter, the name and details of the purchaser (i.e., the Promoter or Persons(s) nominated by the Promoter), the number of Equity Shares that the Promoter or Person(s) nominated by the Promoter is willing to acquire which shall not be less than all of the Securities held by the Investor ("**Promoter Buy Back Securities**") at a price per Equity Share which is equal to the Buy

- Back Price Per Share (the aggregate consideration being the “**Promoter Buy Back Consideration**”).
- ii. Within 30 (thirty) days of receipt of the Secondary Sale Offer Notice, the Investor shall confirm its acceptance of the same to the Company and the Promoter (“**Secondary Sale Notice**”).
  - iii. Within 30 (thirty) days from the date of receipt of the Secondary Sale Notice, the Promoter or Person(s) nominated by the Promoter (as the case may be) shall remit the Promoter Buy Back Consideration into the bank account nominated by the Investor as set out in the Secondary Sale Notice. Completion of the Secondary Sale shall not occur until and unless the Promoter Buy Back Consideration is received in full by the Investor within the period specified above.
  - iv. Simultaneous with the receipt in full of the Promoter Buy Back Consideration, the Investor shall Transfer to (or to the order of) the Promoter or its nominees (as the case may be), the legal and beneficial title to the Promoter Buy Back Securities, free of any Encumbrances. The Investor shall not be required to give any representations, warranties, indemnities or undertakings to the Promoter, its Affiliates or the nominee of the Promoter, as the case may be, other than customary representations on authority, capacity, title of the Securities proposed to be Transferred by the Investor, and such other terms as may be acceptable to the Investor (at its sole discretion).
  - v. The Promoter agrees and undertakes that they shall take all necessary steps (including, execution and delivery of all necessary documents) for completing the Transfer of the Promoter Buy Back Securities and payment of the Promoter Buy Back Consideration to the Investor. All costs, expenses and fees in relation to the Transfer of the Promoter Buy Back Securities shall be borne by the Promoter.

#### 118. **Investor’s Drag Along Right**

- (a) In addition and without prejudice to, any other rights that the Investor may have under the Articles, if the Investor is not provided a full and complete exit from the Company within 1 (one) year from the Exit Period, in the manner established in Articles 116 and 117, then the Investor shall have a right (but not an obligation) exercisable at its sole discretion to Transfer all or any of the Investor Securities then held by it (“**Investor Drag Securities**”) to any one or more Persons, including for the avoidance of doubt, to any strategic investor or any Competitor (“**Drag Exit Purchaser**”) notwithstanding any restrictions contained in the Articles, and additionally in their sole discretion, to require, by written notice to the Promoter and the Company (“**Investor Drag Notice**”), the Promoter and any of its Affiliates holding Securities to compulsorily sell up to 100% (one hundred percent) of their respective Securities (“**Promoter Drag Securities**”) to the Drag Exit Purchaser, at the same price and on the same terms as are agreed by the Investor with the Drag Exit Purchaser in respect of the sale of the Investor Drag Securities to the Drag Exit Purchaser (“**Investor Drag Right**”). Provided that, unless otherwise agreed between the Drag Exit Purchaser and the Investor, the Investor shall not be required to give any representations, warranties, indemnities or undertakings to the



Drag Exit Purchaser, other than customary representations on authority, capacity, title of the Securities proposed to be Transferred by the Investor, and such other terms as may be acceptable to the Investor (at its sole discretion).

- (b) Upon receipt of an Investor Drag Notice from the Investor, the Promoter and the Company shall be obligated to take all actions required by the Investor in a timely manner and in any event within such time periods as may be specified by the Investor in the Drag Notice, in order to successfully complete the sale of the Investor Drag Securities and the Promoter Drag Securities to the Drag Exit Purchaser, free and clear of Encumbrances.
- (c) Notwithstanding anything to the contrary contained in the Articles, it is agreed and clarified that any breach by the Promoter and/or the Company of their obligations under this Article 118 (*Investor's Drag Along Right*) shall not relieve the Company and/or the Promoter of any of their obligations under this Article 118 (*Investor's Drag Along Right*) and it is hereby agreed and clarified that the Investor shall continue to be entitled to exercise its rights under this Article 118 (*Investor's Drag Along Right*).
- (d) It is hereby further clarified that upon the Investor issuing the Investor Drag Notice, if any Securities convertible into Equity Shares of the Company issued by the Company to the Investor have not been converted into Equity Shares of the Company as on the date of the Investor Drag Notice set out above, the Investor may (at its sole option) require the Company, and the Company shall, forthwith and in any event within 5 (five) Business Days from receipt of such request, undertake such steps as are necessary for converting such Securities held by the Investor into Equity Shares of the Company in accordance with the provisions of the Articles, as the case may be.
- (e) Any costs and transaction expenses incurred in connection with sale of the Securities to a Drag Exit Purchaser in accordance with this Article 118 (*Investor's Drag Along Right*) (including any costs and expenses in relation to payment of stamp duties as per Applicable Law) shall be payable by the Company.
- (f) Notwithstanding anything else contained in Articles 115 to 118, the Parties hereby agree that in the event a Buy Back and/or Secondary Sale is provided to the Investor in accordance with the terms agreed under the Articles to facilitate a complete exit for the Investor from the Company, and the Investor fails to transfer the Investor Securities as a result of actions directly attributable to the Investor, then the Investor's Drag Along Right under Article 118 (*Investor's Drag Along Right*) shall forthwith fall away.

#### *Liquidation preference*

119. It is hereby agreed that it is the intention of the Parties that upon occurrence of a Liquidation Event, subject to Applicable Laws, prior to and in priority over any payment of any proceeds to any other Shareholder, the Company shall first pay the Investor: (a) an amount equivalent to Buy Back Price Per Share for each Investor Security; or (b) an amount proportionate to the Investor's shareholding in the Company, plus any declared but unpaid dividend, whichever is higher.

120. In case of a shortfall in the proceeds from the Liquidation Event resulting in an inability to pay the

entire amount computed as per Article 119, the entire amount from the proceeds of the Liquidation Event shall, subject to Applicable Laws, be paid to the Investor, in priority to other Shareholders.

*Fall away*

121. All the rights and privileges (including the right to appoint a director) of the Investor (except rights available under Applicable Law, including right to receive dividend and voting right as per Applicable Law), shall fall away upon:
- (a) the Investor's shareholding in the Company falling below 5% (five percent) on a Fully Diluted Basis; or
  - (b) the conclusion of the IPO as per Article 116; or
  - (c) the Investor transfers only a part of the Investor Securities pursuant to an exit opportunity provided by the Company to the Investor for a full and complete exit for the Investor from the Company, at a price per Equity Share which is equal to the Buy Back Price Per Share, in accordance with the Articles; or
  - (d) any Transfer of the Investor Securities by the Investor which is not in accordance with the Articles.

*Information rights of the Investor*

122. Without prejudice to the rights provided under the Act, as long as the Investors' Shareholding percentage in the Company does not fall below 5% (five percent) of Share Capital, the Company hereby agrees to provide the following information to the Investor:
- (a) Within 30 (thirty) Business Days from the expiry of each quarter, quarterly management review detailing key operational performance indicators after the end of each quarter;
  - (b) Within 60 (sixty) Business Days from end of each quarter, unaudited profit and loss statement, balance sheet and cash flow statement of the Company;
  - (c) Within 120 (one hundred twenty) Business Days after the end of each Financial Year, externally audited statements of income and cash flows of the Company for such Financial Year and a balance sheet as of the end of such Financial Year;
  - (d) minutes of the Board Meeting within 30 (thirty) days after such events;
  - (e) minutes of the Shareholders' Meeting within 30 (thirty) days after such events;
  - (f) the Business Plan and revision thereof as approved by the Board and any changes therein during the year within 30 (thirty) days;
  - (g) monthly MIS containing Profit & Loss account, Balance Sheet and Unexecuted Order Book, provided that on and from the date on which the Company files a draft red herring prospectus, the Company shall not be obligated to provide any MIS, and shall provide the same only upon a reasonable request being made by the Investor;
  - (h) notification within 7 (seven) Business Days of any material litigation becoming known to the Company, which may be made or threatened by any Person, against the Company, the Promoter or any of the Management Team member that may materially affect the Business of the Company;

- (i) notification within 7 (seven) Business Days of any notice issued to the Company, the Promoter or any member of the Management Team (in their official capacity as officers and employees of the Company) by an investigative statutory agency of India including Enforcement Directorate, Central Bureau of Investigation, Serious Fraud Investigation Office, or Economic Offence Wing, Ministry of Corporate Affairs;
- (j) notification with respect to any change in the Management Team; and
- (k) access to statutory and accounting books and records of the Company.

*Event of Default*

123. Unless expressly waived by the Investor in writing, each of the events or circumstances set out in this Article 123 shall be deemed to be an event of default (“**Event of Default**”):

- (a) the findings of any independent audit or investigation by an auditor / investigator appointed by the Investor (as shared with the Company), which report reveals that: (i) affairs of the Company have been conducted by the management in a fraudulent manner or; (ii) the Company and/or the Promoter has used the Investment Amount in a fraudulent manner; or
- (b) there is breach of the Fundamental Warranties by the Company or if the Promoter is in breach of any of their Promoter Warranties; or
- (c) breach or failure to observe or comply with the terms as set out in Clause 3 (*Use of Proceeds*) of the Agreement, Article 93 (*Composition of the Board*), Article 94 (*Investor Director*), Article 95 (*Reserved Matters*) and Article 97 (*ESOP Plan*), Articles 98 to 103 (*Pre-Emptive Rights*), Articles 104 to 105 (*Most Favourable Terms*), Articles 106 to 108 (*Anti-Dilution*), Articles 109 to 114 (*Transfer of Securities*), Articles 119 and 120 (*Liquidation Preference*), Article 121 (*Fall away*) and Clause 14 (*Indemnification*) of the Agreement; or
- (d) admission of a petition of bankruptcy or insolvency by a creditor for a default by the Company or the Promoter.

Upon the occurrence of an Event of Default, the Investor shall have the right to issue a written notice of the Event of Default (“**EoD Notice**”) to the Company (“**Defaulting Party**”), describing in reasonable detail the Event of Default giving rise to the EoD Notice.

124. **Consequences of Event of Default:**

Upon receipt of the EoD Notice, Defaulting Party shall have 45 (forty five) Business Days to cure such Event of Default (if such Event of Default is capable of being cured). If such Event of Default is not cured within such period or the Event of Default is not capable of being cured, then (A) all obligations of the Investor and all restrictions imposed on the Investor under the Articles shall automatically lapse and all restrictions on the Promoter the Company and all rights available to the Investor against the Promoter or the Company shall continue in full force and effect; and (B) the Defaulting Party may choose to either: (i) accept the EoD Notice; or (ii) dispute the EoD Notice. In the event the Defaulting Party disputes the EoD Notice, it shall within 45 (forty five) days of

receipt of the EoD Notice, issue a notice to the Investor stating that it is disputing the EoD Notice issued by the Investor and the reasons for disputing the same (“EoD Dispute Notice”).

- (a) On the issue of an EoD Dispute Notice by Defaulting Party, the Investor shall be entitled to:
- (x) issue a notice to the Defaulting Party initiating arbitration proceedings in accordance with Clause 21.2 (*Arbitration*) of the Agreement, and/or (y) at its sole discretion, terminate the Agreement. Notwithstanding the above, the Investor shall also be entitled to the following rights to be exercised in combination or individually, as opted by the Investor:
    - (i) To require the Company to acquire Investor Securities at a Redemption Price. For the purpose of this paragraph, “Redemption Price” means the Investment Amount, as the case may be, and an internal rate of return (XIRR) of 25% p.a. (twenty five percent per annum) thereon till the date of acquisition of the Investor Securities by the Company;
    - (ii) To undertake and to do all such acts and deeds as may be necessary to give effect to the provisions of this Article 124 (*Consequences of Event of Default*), including, without limitation, approving the above arrangement;
    - (iii) To Transfer all (or any) of the Securities held in the Company without any restrictions to any Person (including a Competitor); and/or
    - (iv) To accelerate and enforce any of its exit rights (including without limitation the Investor Drag Along Right set out in Article 118) under Articles 115 to 118 (*Exit Rights*) and in such event, the Investor shall have the sole discretion to choose the manner of exit as stipulated under Articles 117 and 118. The Company and Promoter agrees and undertakes that they shall take all necessary steps (including, execution and delivery of all necessary documents) for providing a full and complete exit to the Investor within the timelines agreed under Articles 115 to 118 (*Exit Rights*).
- (b) All costs and expenses arising out of any Event of Default shall be borne by the relevant Defaulting Party.

## SCHEDULE I

### MEETINGS OF THE COMPANY

#### I. Board Meetings

##### 1. Appointment and Removal of Directors

- (a) The Parties shall ensure that the Board is constituted in the manner set out in the Articles and particularly in Article 93 (Composition of the Board) and the Shareholders shall exercise their voting rights, to ensure such constitution of the Board.
- (b) In the event of resignation, retirement, death, removal or vacation of office, of any Director, the Party who had appointed such Director shall be entitled to appoint another Director to fill such vacancy.
- (c) Except where a Director is required by Applicable Law or the Articles, no Director shall be removed during the term for which such Director was elected without the Consent of the Party which nominated such Director to the Board.
- (d) Any Shareholder may, by a written notice to the Company and the other Shareholders, remove a Director nominated by it. The removal shall take effect when the notice is delivered to the Company, unless the notice indicates otherwise. Each Shareholder shall exercise its vote in relation to the Securities held by it, for the removal of a Director upon the written request of the Shareholder that nominated such Director.

##### 2. Notice for Board Meetings

- (a) A meeting of the Board may be called by the Chairman or any other Director, in accordance with the Act and the Articles (“**Board Meeting**”). Board Meetings shall be held at least 4 (four) times in a year in a manner that not more than 120 (one hundred twenty) days shall intervene 2 (two) consecutive meetings. All Board Meetings or any meetings of the committee(s) thereof shall be conducted in English. The Company shall keep a book of all resolutions and the minutes of all Board Meetings and meetings of the committee(s) thereof as per Applicable Law.
- (b) At least 7 (seven) Business Days prior written notice of a Board Meeting shall be given to each of the Directors, provided that, subject to Applicable Law and such meeting not involving a Reserved Matter, a meeting of the Board may be convened at shorter notice with the prior written Consent of the Promoter. All notices for Board Meetings shall be in writing (in English) and: (a) shall specify the detailed agenda setting forth the business to be transacted, (including without limitation, expressly identifying any Reserved Matters that form part of the agenda), identifying in reasonable detail the issues to be considered by the Directors at any such meeting, and (b) shall be accompanied by copies of any relevant documents and information pertaining to agenda items or otherwise required to properly review and discuss the agenda in full. No item or business relating to or in connection with a Reserved Matter which is not set out in the agenda shall be transacted at such meeting, unless otherwise agreed by the Investor Director.

### 3. Quorum

- (a) The quorum for any Board Meeting shall at all times be at least 2 (two) Directors, present at the beginning and throughout the meetings, with such quorum mandatorily including the Investor Director with respect to any Board Meeting involving a Reserved Matter.
- (b) If within half an hour of the time appointed for the Board Meeting, a valid quorum stipulated under Paragraph 3(a) above is not present, then the Board Meeting shall be adjourned to the next week on the same day and at the same time and place (“**Adjourned Board Meeting**”).
- (c) If at any such Adjourned Board Meeting, a quorum is not constituted within half an hour of the time appointed for such Adjourned Board Meeting, the Directors present shall, subject to Applicable Law, constitute the quorum of the meeting subject to Paragraph 3(d) below.
- (d) Provided however that, at any Board Meeting or Adjourned Board Meeting, no Reserved Matter will be discussed or voted upon, unless the Investor Director is present at such meeting or such Reserved Matter has been approved in writing by the Investor.

### 4. Circular Resolution

Except in relation to matters which by Applicable Law may only be acted upon at a Board Meeting, a resolution by circulation shall be as valid and effectual as a resolution duly passed at a Board Meeting called and held, provided it has been circulated in draft form, together with the relevant papers, if any, to all the Directors and has been approved by the majority of the Directors entitled to vote thereon, and provided always that any resolution by circulation in respect of any Reserved Matter shall be subject to the provisions of Article 95 (*Reserved Matters*).

### 5. Participation by Electronic Means

In accordance with the Act, the Directors may participate in relevant Board Meetings or committees thereof, by video conferencing or any other means of contemporaneous communication, provided that each Director must acknowledge their presence for the purpose of the meeting. The Company shall ensure that such Board Meetings are held in accordance with the provisions of Applicable Law, including provision of appropriate video-conferencing facilities. Participation of the Directors by video conferencing or any other means of contemporaneous communication shall be counted for the purposes of quorum in accordance with Applicable Law.

### 6. Decision Making

Subject to Article 95 (*Reserved Matters*) and Applicable Laws, a decision shall be validly made and/ or a resolution validly passed at a meeting of the Board only if passed at a validly constituted Board Meeting and by a simple majority of the Directors present at such meeting of the Board. Each Director shall be entitled to 1 (one) vote.

## 7. Committees

The Board shall, subject to Applicable Law, have the power to constitute, if necessary, committees or sub-committees and delegate such of its powers to the aforesaid committees as it may deem appropriate. Unless otherwise agreed in writing by the Shareholders or under the Articles, and subject to Applicable Law, all provisions of the Articles relating to the Board and its meetings, including notice, agenda, appointment, quorum and voting shall be applicable to the committees and sub-committees of the Board established from time to time, and the respective rights of the Shareholders to appoint their nominees to such committee of the Board shall be in the same proportion as of the Directors they are entitled to nominate to the Board. Provided however, the Investor Director shall form part of such committee only if such committee is delegated with the powers to decide on Reserved Matters.

## II. Shareholders Meetings

### 1. Frequency

- (a) The Company shall hold at least 1 (one) general meeting of its Shareholders in any given calendar year. All annual general meetings and other meetings of Shareholders of the Company (“Shareholders’ Meeting”) shall be governed by the provisions of the Act and the Articles.
- (b) The Shareholders shall be entitled to participate in the Shareholders’ Meeting(s) physically or through electronic means as may be set out in the notice for such meeting, in accordance with Applicable Law. The participation of the shareholders through electronic means, in accordance with Applicable Law, shall be considered for the purpose of computation of quorum for a Shareholders’ Meeting.

### 2. Notice

- (a) At least 21 (twenty-one) days prior written notice (either in writing or through an electronic mail) shall be given by the Company to all the Shareholders of any proposed Shareholder’s Meeting, accompanied by the agenda for such meeting (unless the Shareholders have given prior written Consent for a meeting to be called at shorter notice in accordance with the Act).
- (b) Every notice of the Shareholders’ Meeting shall be in writing (in English) and: (a) shall set out the agenda in full and sufficient details of the business to be transacted thereat (including without limitation, expressly identifying any Reserved Matters that form part of the agenda) identifying in reasonable detail the issues to be considered by the Shareholders’ at any such meeting, and (b) shall be accompanied by a copy of any relevant documents and information to be reviewed or discussed at such meeting. No item or business which is not set out in the agenda shall be transacted at such meeting, unless otherwise agreed by the Promoter, provided that this provision shall not be applicable if such item or business relates to a Reserved Matter.

### 3. Chairman

All general meetings shall be presided over by the Chairman. Provided that in the event the Chairman is not present within 15 (fifteen) minutes after the time appointed for holding any Shareholders' Meeting, or is not willing to act as chairman, or if the Board has not elected a Chairman, the members present shall appoint anyone amongst themselves to act as chairman of that meeting.

### 4. Quorum

- (a) The quorum for all the Shareholders' Meetings, subject to the provisions of the Act, shall not be less than 2 (two) members at the beginning and throughout the meeting, and shall mandatorily include the Investor if the meeting involves any Reserved Matter.
- (b) If within half an hour from the time appointed for a Shareholders' Meeting, a quorum is not present, the meeting shall be adjourned to the same day of the next week at the same time and place ("**Adjourned Shareholders' Meeting**"). Each Shareholder shall be notified by the Company in writing of the date, time and place of the Adjourned Shareholders' Meeting.
- (c) In the event that the quorum as set forth above is not achieved at the Adjourned Shareholders' Meeting, the Shareholders present shall, subject to the Act, constitute a valid quorum at the Adjourned Shareholders' Meeting, provided that in such a meeting no Reserved Matter will be discussed or voted upon, unless the Investor is present at such meeting or such Reserved Matter has been approved in writing by the Investor.
- (d) The agenda for the Adjourned Shareholders' Meeting shall be the same as the agenda for the Shareholders' Meeting unless otherwise agreed in writing by the Promoter provided that this provision shall not be applicable if such item or business relates to a Reserved Matter.

### 5. Voting Agreement

- (a) All Shareholders shall exercise their voting rights in proportion of their respective Shareholding in the Company. At any Shareholders' Meeting, each Shareholder may vote either by itself /himself or by proxy.
- (b) The Parties shall cause their respective representatives of the Company to exercise their voting rights at the general meetings in the manner necessary to give effect to the terms of the Agreement, and to do and perform all acts, deeds and things as may be expedient to give effect to the terms of the Agreement.

### 6. Minutes of Shareholders' Meeting

The substance of the proceedings of a Shareholders' Meeting, including the agenda, discussions and results thereof, shall be recorded in minutes in the English language and shall be signed by the Chairman within 30 (thirty) days of such Shareholders' Meeting.



## SCHEDULE II

### BROAD BASED ANTI-DILUTION PROTECTION

#### 1. Relevant Calculations

- (a) Determine Anti-Dilution Price (i.e., broad-based weighted average price per Security) in the following manner:

$$\text{Anti-Dilution Price} = \frac{(\text{OS immediately prior to the Dilution Event} \times \text{Offer Price}) + \text{AC}}{\text{OS immediately following issuance}}$$

OS immediately following issuance

Where,

"OS" means the number of Securities issued under Share Capital on a Fully Diluted Basis, and

"AC" means the Investment Amount.

- (b) Determine the number of Securities that the Investor would have received if the Investor had paid the Anti-Dilution Price for each Investor Security acquired by it, by dividing the Subscription Price paid by Investor per Investor Security by the Anti-Dilution Price and multiplying the result with the number of Investor Securities.
- (c) The number of Additional Shares shall equal the number of Securities that Investor would have received as determined pursuant to paragraph 1(b) above minus the number of Securities held by the Investor immediately prior to the Dilution Event.
- (d) All calculations of the Anti-Dilution Price shall be made to the nearest Indian Rupee. In the event that there are Additional Shares, determined in the manner provided above, as a fraction, such number shall be rounded up to the nearest whole Security as follows:
- i. in case the fraction is up to 0.49 (decimal four nine), then the number of Securities to be issued shall be rounded off to the next lower number; and
  - ii. in case the fraction is 0.50 (decimal five zero) or more, then the number of Securities to be issued shall be rounded off to the next higher number.
- (e) Prior to giving effect to any adjustment pursuant to the provisions of Articles 106 to 108 (*Anti-Dilution*) and this **Schedule II**, the Investor and the Company must agree upon the calculations in accordance with the formula set out in this **Schedule II**.

### SCHEDULE III

#### LIST OF RESERVED MATTERS OF THE COMPANY

The following matters shall be called Reserved Matters. The Company shall not take any actions pertaining to these matters, whether in a Shareholders' Meeting or a meeting of the Board or any committee thereof, unless prior written Consent of the Investor has been obtained:

1. Adopting audited financial statements, annual budget and Business Plan, and significant deviations thereof including initial use of proceeds;
2. Significant changes in accounting policies of the Company;
3. Any amendment to or change in the rights, preferences, privileges or powers of the Securities of the Company which adversely affects the rights of the Investor;
4. Any merger, acquisition, any Transfer of material Assets (i.e., more than 10% of total Asset base of the Company), consolidation, reorganization, establishment of subsidiaries and joint ventures for a new line of Business, decrease of Share Capital, disposal or lease or securitization of assets, hive-off, spin-off, slump sale, sale of investments, liquidation, dissolution of the Company or any motion to any of the above; Any recapitalization, issuance, creation, reclassification, split, spin-off of any new class or series of Securities for the purpose of including but not limited for raising further capital of the Company;
5. Entry into any new business other than the Business, or any material change in the nature and/or scope of the Business;
6. Any amendments to the Charter Documents of the Company;
7. Any change in the name of the Company, suspension or cessation of part or all of the Business or Transfer of part or all of the Business, or creation of any Encumbrance on all the Assets or part or all of the Business;
8. Any disposal, Transfer, Encumbrance or any dealing with the intangible and Intellectual Property of the Company, other than in the Ordinary Course of Business;
9. Authorizing any Indebtedness over the agreed limit of Indebtedness as per the Business Plan, including the creation of any Encumbrance on the Assets of the Company or the Business in connection therewith;
10. Provision of loans to any of the Directors;
11. Entering into or amendment of any Contract by the Company with any Related Party of the Company, including making any loan to any such Related Party for transaction of INR 10,00,00,000 (Rupees Ten Crores) and above in one or multiple transactions together per Financial Year (other than any Related Party Transaction with (a) any of the Company's joint ventures and subsidiaries, or (b) the Promoter; in each case, which has been specifically approved as per the Business Plan);
12. Pass any resolution in relation to a Liquidation Event;
13. Grant of any options under the ESOP Plan beyond 3% (three percent) of the Share Capital on Fully Diluted Basis;
14. Declaration of dividends (including interim dividends) or any other distributions, other than made

- on a pro rata basis; and
15. Undertaking any commitment or agreement or delegation of powers from the Board to take any of the foregoing actions.



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For TRANSRAIL LIGHTING LTD.

*Ganpadhye*

COMPANY SECRETARY

We, the several persons, whose names, addresses and descriptions are subscribed hereunder, are desirous of being formed into a Company in pursuance of these Articles of Association:

| Sr. No. | Names, Addresses, Descriptions and Occupation of each Subscriber   | Signature of Subscriber | Signature of witness and his name, address, description and occupation   |
|---------|--|-------------------------|--|
| 1.      | <b>ASSOCIATED TRANSRAIL STRUCTURES LIMITED</b><br>ADD : NEPTUNE TOWER, 7 <sup>TH</sup> FLOOR,<br>PRODUCTIVITY ROAD, ALKAPURI,<br>VADODARA (GJ) – 390 007.<br>OCCUPATION : BUSINESS<br>REPRESENTED THROUGH<br>MANAGING DIRECTOR – MR. DIGAMBAR BAGDE<br>S/O MR. CHUNNILAL BAGDE<br>6, HARIDARSHAN APPT.,<br>16, HARIBHAKTI COLONY,<br>OLD PADRA ROAD, VADODARA (GJ) – 390015.<br>BOARD RESOLUTION DATED : 15.01.2008. | sd/-                    | <p>WITNESS TO SUBSCRIBERS<br/>NO. 1 TO 7</p> <p><b>MANOJ CHAMOLI</b><br/>S/O SHRI ROOP RAM,<br/>CHAMOLI<br/>2/56, K.P. APTS.<br/>T. J. ROAD, SAWRI,<br/>MUMBAI – 400 015</p> <p>OCC : SERVICE.</p> |
| 2.      | <b>MR. DIGAMBAR BAGDE</b><br>S/O MR. CHUNNILAL BAGDE<br>ADD : 6, HARIDARSHAN APPT.,<br>16, HARIBHAKTI COLONY,<br>OLD PADRA ROAD, VADODARA (GJ) – 390015.<br>OCCUPATION : SERVICE.  | sd/-                    |  |
| 3.      | <b>MR. HASMUKH JOSHI</b><br>S/O MR. MULSHANKER JOSHI ADD :<br>30, ANIL PARKNO. – 3,<br>VIP ROAD, BARODA – 390 022.<br>OCCUPATION : SERVICE.  | sd/-                    |  |
| 4.      | <b>MR. GHANSHYAM RATHOD</b><br>S/O MR. DAHYABHAI RATHOD<br>ADD : 503, GOKUL TOWER, THAKUR COMPLEX,<br>KANDIVALI (EAST) MUMBAI (MH) – 400 101.<br>OCCUPATION : SERVICE  | sd/-                    |  |
| 5.      | <b>MR. SUBHASISH MUKHOPADHYAY</b><br>S/O MR. DHRUBA KUMAR MUKHOPADHYAY<br>ADD : 503, NISHIGANDHA APPT.,<br>BESIDES FCI GODOWN, PRASANT NAGAR,<br>(MH) – 440015.<br>OCCUPATION : SERVICE.   | sd/-                    |  |
| 6.      | <b>MR. HIREN PATEL</b><br>S/O MR. MAHENDRABHAI PATEL<br>ADD : B - 46, RAMIN PARK SOCIETY,<br>OLD PADRA ROAD,<br>VADODARA (GJ) – 390 020.<br>OCCUPATION : SERVICE.  | sd/-                    |  |
| 7.      | <b>MR. D. SURYANARAYANA</b><br>S/O MR. D. VENKATESWARLU<br>J-13, PRAMUKH VIHAR-III, NAROLI ROAD,<br>SILVASSA-396 230.<br>DADRA & NAGAR HAUELI (U.T).<br>OCCUPATION : SERVICE.  | sd/-                    |  |

PLACE: NAGPUR

DATE: 06.02.2008



CERTIFIED TRUE COPY  
For TRANSRAIL LIGHTING LTD.

*Gaupadhye*

COMPANY SECRETARY